

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ELLIOTT:

H. R. 6336. A bill to authorize the Administrator of the War Assets Administration to lend or sell surplus-property equipment for use at the twenty-eighth annual national convention of the American Legion; to the Committee on Expenditures in the Executive Departments.

By Mr. HOPE:

H. R. 6337. A bill to provide for the payment of a bonus of 30 cents per bushel on wheat and corn sold by producers between January 1, 1946, and April 18, 1946; to the Committee on Agriculture.

By Mr. KNUTSON:

H. R. 6338. A bill to repeal section 601 of the Philippine Rehabilitation Act of 1946; to the Committee on Insular Affairs.

By Mr. LEMKE:

H. R. 6339. A bill to limit the period within which contract actions may be brought by the United States; to the Committee on the Judiciary.

By Mr. RANKIN:

H. R. 6340. A bill to provide that a veteran's compensation, pension, or retirement pay shall not be reduced during his hospitalization or domiciliary care, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SCRIVNER:

H. R. 6341. A bill to eliminate certain inequities of the National Service Life Insurance Act of 1940, as amended; to the Committee on World War Veterans' Legislation.

By Mr. SPARKMAN:

H. R. 6342. A bill to amend the National Defense Act of 1916, as amended; to the Committee on Military Affairs.

By Mr. HOLIFIELD:

H. R. 6343. A bill to authorize the Secretary of War to lend War Department equipment for use at the twenty-eighth annual national convention of the American Legion; to the Committee on Military Affairs.

By Mr. IZAC:

H. R. 6344. A bill relating to the limitations on pay of retired commissioned officers elected or appointed to civilian offices or positions; to the Committee on the Judiciary.

By Mr. JENNINGS:

H. R. 6345. A bill to amend the Employers' Liability Act so as to limit venue in actions brought in United States district courts or in State courts under such act; to the Committee on the Judiciary.

By Mr. RICH:

H. R. 6346. A bill providing for the extension of the time limitations under which patents were issued in the case of persons who served in the military or naval forces of the United States during World War II; to the Committee on Patents.

## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the legislature of the State of Wyoming, memorializing the President and the Congress of the United States to enact legislation relating to public lands of said United States in Wyoming; to the Committee on the Public Lands.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Massachusetts:

H. R. 6347. A bill for the relief of Mrs. Evelyn Authier; to the Committee on Claims.

By Mr. BUFFETT:

H. R. 6348. A bill for the relief of James Ronald Walker, a minor; Thomas Clark Bryant, a minor; and Thomas E. Bryant; to the Committee on Claims.

By Mr. DINGELL:

H. R. 6349. A bill for the relief of the United States Radiator Corp. of Detroit, Mich.; to the Committee on Claims.

By Mr. EBERHARTER:

H. R. 6350. A bill for the relief of the county of Allegheny, Pa.; to the Committee on Claims.

By Mr. GWYNNE of Iowa:

H. R. 6351. A bill to grant a certain right-of-way in Crawford County, Wis., to the Iowa-Wisconsin Bridge Co.; to the Committee on the Public Lands.

By Mr. HAVENNER:

H. R. 6352. A bill for the relief of Andres Quinones and Letty Perez; to the Committee on Immigration and Naturalization.

By Mr. HORAN:

H. R. 6353. A bill for the relief of Mrs. Audrey Ellen Gooch; to the Committee on Immigration and Naturalization.

By Mr. KEEFE:

H. R. 6354. A bill for the relief of Ida Hohelsel, executrix of the estate of John Hohelsel; to the Committee on Claims.

By Mr. PINERO:

H. R. 6355. A bill for the relief of the estate of the late Francisco Rivera Navarro; to the Committee on Claims.

H. R. 6356. A bill for the relief of Jose A. Pabon; to the Committee on Claims.

H. R. 6357. A bill for the relief of Ernesto Lugo; to the Committee on Claims.

H. R. 6358. A bill for the relief of Armando Velez Feliciano; to the Committee on Claims.

H. R. 6359. A bill for the relief of Nemesio Vegas; to the Committee on Claims.

H. R. 6360. A bill for the relief of the estate of the late Ismael Miranda; to the Committee on Claims.

H. R. 6361. A bill for the relief of the estate of the late Manuel Graulau Velez; to the Committee on Claims.

H. R. 6362. A bill for the relief of Cristobal Rivera Santiago; to the Committee on Claims.

H. R. 6363. A bill for the relief of Juana Pagan; to the Committee on Claims.

H. R. 6364. A bill for the relief of Alejo Padilla; to the Committee on Claims.

H. R. 6365. A bill for the relief of Miguel Ferrer Nevar; to the Committee on Claims.

By Mr. RAYFIEL (by request):

H. R. 6366. A bill for the relief of Ciro Gamboni; to the Committee on Immigration and Naturalization.

By Mr. ROBINSON of Utah:

H. R. 6367. A bill authorizing the issuance to Mountain States Development Co. and Crescent Eagle Oil Co., of patents for certain placer mining claims located in Grand County, Utah; to the Committee on the Public Lands.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1866. By Mr. FORAND: Resolution of the General Assembly of the State of Rhode Island, requesting the President of the United States of America, the Secretary of State of the United States, the Director General of the United Nations Relief and Rehabilitation Administration, and the Senators and Representatives from Rhode Island in the Congress of the United States to use every effort to prevent the reduction of the daily bread ration in Italy and to endeavor to devise means to supply that country with larger shipments of wheat and flour; to the Committee on Foreign Affairs.

1867. By Mr. SMITH of Wisconsin: Petition of veterans of World War II, Janesville, Wis.,

requesting unemployment compensation allowances which have been denied them; to the Committee on Ways and Means.

1868. By the SPEAKER: Petition of the twelfth district American Legion, petitioning consideration of their resolution with references to their endorsement of the provisions of Senate bill 1592, known as the Wagner-Ellender-Taft housing bill; to the Committee on Banking and Currency.

## SENATE

WEDNESDAY, MAY 8, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 11:45 o'clock a. m., on the expiration of the recess.

Rev. John W. Rustin, D. D., minister, Mount Vernon Place Methodist Church, Washington, D. C., offered the following prayer:

Let us pray together: Eternal God, father of us all, we pause in the midst of the busy rush of life to ask for Thy direction. How desperately we need that direction today. Tempted as we are to live selfishly because of the abundance of things we possess, we often close our ears to the needs of others. Forgive us, we pray Thee. Help us to remember in these days of material prosperity "that a man's life consisteth not in the abundance of things which he possesseth," and "that he cannot live by bread alone." Grant, we pray Thee, wisdom to this body so that all action taken here today shall be for the best interest of all Thy people everywhere. Save us from weak resignation and futile despair. Undergird us with a sense of Thy presence so that we shall be refreshed of both body and soul. These mercies we ask in the name and for the sake of Jesus Christ our Lord. Amen.

## THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, May 7, 1946, was dispensed with, and the Journal was approved.

## CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ferguson	Langer
Austin	Fulbright	Lucas
Ball	George	McCarran
Bankhead	Gerry	McClellan
Barkley	Green	McFarland
Brewster	Guffey	McKellar
Briggs	Gurney	McMahon
Brooks	Hart	Magnuson
Buck	Hatch	Maybank
Bushfield	Hawkes	Mead
Butler	Hayden	Millikin
Byrd	Hickenlooper	Mitchell
Capehart	Hill	Moore
Capper	Hoey	Morse
Carville	Huffman	Murdock
Cordon	Johnson, Colo.	Myers
Donnell	Johnston, S. C.	O'Daniel
Downey	Kilgore	O'Mahoney
Eastland	Knowland	Pepper
Ellender	La Follette	Radcliffe

Reed  
Revercomb  
Robertson  
Russell  
Saltonstall  
Shipstead  
Smith  
Stanfill  
Stewart

Taft  
Taylor  
Thomas, Okla.  
Thomas, Utah  
Tobey  
Tunnell  
Tydings  
Wagner  
Walsh

Wheeler  
Wherry  
White  
Wiley  
Willis  
Wilson  
Young

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Montana [Mr. MURRAY] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The PRESIDENT pro tempore. Eighty-five Senators have answered to their names. A quorum is present.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 97. An act for the relief of Aldona Kojas;  
S. 1442. An act for the relief of George O. Weems;  
S. 1742. An act for the relief of Socony-Vacuum Oil Co.;  
S. 1747. An act for the relief of John C. Spargo;  
S. 1812. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of explosions at the naval ammunition depot, Hastings, Nebr., on April 6, 1944, and September 15, 1944; and  
S. 1961. An act to exempt from taxation certain property of the Disabled American Veterans in the District of Columbia.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3010. An act for the relief of Mrs. Marie Edens Nast, Mrs. Bessie Amann, and George R. Townsend;  
H. R. 3967. An act for the relief of Ahto Walter, Lucy Walter, and the legal guardian of Teddy Walter, a minor;  
H. R. 4046. An act authorizing the issuance of a patent in fee to Richard S. Fisher;  
H. R. 4122. An act for the relief of Guy B. Slater and Grace M. Collins;

H. R. 4142. An act for the relief of Johnnie V. Nations;

H. R. 4172. An act for the relief of Carlton G. Jerry;

H. R. 4298. An act for the relief of Severo Apoluna Dinson and Candilaria Dinson, and the legal guardian of Laura Dinson and the legal guardian of Teresita Dinson;

H. R. 4301. An act for the relief of Philip Naope Kalli and Susie Kalli;

H. R. 4338. An act for the relief of Anna Blanchard and others;

H. R. 4527. An act for the relief of O. T. Nelson, and wife, Clara Nelson;

H. R. 4763. An act for the relief of R. L. Benton;

H. R. 5152. An act for the relief of J. F. Powers;

H. R. 5212. An act for the relief of the dependents of Cecil M. Foxworth, deceased;

H. R. 6097. An act to amend the act of March 10, 1934, entitled "An act to promote the conservation of wildlife, fish, and game, and for other purposes"; and

H. R. 6110. An act for the relief of the estate of Marion S. Griggs, deceased.

#### PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes. Mr. McFARLAND obtained the floor.

The PRESIDENT pro tempore. The Chair asks the clerk to read the unanimous-consent agreement entered into yesterday.

The Chief Clerk read as follows:

Ordered, by unanimous consent, That on the calendar day of Wednesday, May 8, 1946, at not later than the hour of 2:45 o'clock p. m., the Senate proceed without further debate to vote upon the so-called McFarland amendment to Senate Joint Resolution 138, the pending British loan measure; and that of the intervening time between 12 noon and said hour of 2:45 o'clock, 1 hour and 45 minutes be allotted to the proponents and 1 hour to the opponents of the amendment, to be controlled, respectively, by the Senator from Arizona [Mr. McFARLAND] and the Senator from Kentucky [Mr. BARKLEY].

Mr. McFARLAND. Mr. President, much has been said about the economic condition of the world. I agree that we are now facing one of the most serious periods in the history of the world. This Nation has just passed through the greatest spending period in our own history—at least, we hope we have passed through it. Now, of necessity, we are forced to get back on a sound business basis or else face an utter collapse of our financial system. Now we are being asked to approve a loan of three and three-fourths billions of dollars to Great Britain, a debtor nation. We should examine the evidence for and against the making of such a loan from a sound business standpoint.

We heard 10 days of testimony on the British loan before the Banking and Currency Committee, during which some 20 witnesses appeared. This testimony has been printed and made available to the Senate. We have heard the arguments of able Senators on this floor.

The distinguished Senator from Kentucky [Mr. BARKLEY] stated that this whole question involves a great many complicated economic problems and

that it is difficult for any human being to understand them unless he lives with them all his life. He added, in candor, that some of his answers may not be meticulously accurate. That is likely to be true of any of us in discussing the subject. In fact, I am constrained to observe that the very fact that involved here are highly complicated economic and financial questions makes this a subject as to which it is difficult to get plain, common sense, practical answers. Shortly after the joint resolution which is now under discussion to implement the loan was introduced, I addressed the Senate, pointing out what I consider many objectionable features of the agreement for this loan. So, I do not propose at this time to enter into a discussion of the merits of the loan, or the need for it, or the benefits it will accord to Great Britain, or the benefits it will bring the United States, or the countless other questions which have been raised thus far in connection with it. In candor and frankness, however, I should add that I have not been greatly impressed with the arguments that have been adduced for it by the witnesses who appeared in its behalf. I remember clearly one thing Mr. Acheson said about it. He said—and I am reading from page 325 of the Senate hearings:

Just in order to make it clear, I will say it again. The purpose of this loan is to enable the British to import what they have to import over the next few years during which they don't have the exports necessary to balance their payments.

I cite Mr. Acheson's statement principally for the purpose of making clear what the State Department says is the objective of the loan. Whether it is a proper objective is a question each of us must determine. I believe it to be significant, however, that neither in Britain nor in America is there unanimity of opinion among public men of experience and understanding on this subject that the loan is desirable or necessary.

What I do want to address myself to is the proposition that our Government should not enter into an agreement for a tremendous loan to a foreign power except on a sound business basis, which cannot be done without first having reached some agreement and understanding with that power regarding an existing unpaid obligation. What I am contending for is simply plain common-sense business principles. I am not asserting that Great Britain must pay us what she owes us before we grant the pending loan; I am merely insisting that for our own protection and for Britain's, there should be some agreement reached regarding the indebtedness arising out of the First World War. I am suggesting that such a procedure is elemental, the first principle of relationship between a borrower and lender.

I have the greatest friendship and admiration for the British people. No one was more anxious than I that they be aided in those bitter days before and after Dunkerque; no Member of the Senate has a better voting record than I in that respect. I regard Britain as a great ally, and I hope that our two nations always will be friends. I am fearful that



one of the surest ways to undermine that friendship is to establish again the relationship of lender and borrower without a clear and definite understanding of what the obligations of each of the contracting parties is to be. I do not want to see a return of the days when we were called Uncle Shylock. I believe that one of the surest ways to avoid that situation is to make certain now that there are not hanging over the present arrangements old and irritating wounds.

And such old irritations do exist. I care not that some assert that the old debt is a dead debt, better to be forgotten. The fact remains that the American people know that they loaned the British Government \$4,277,000,000 during and after the First World War, and they know that the loan has never been repaid in full. It is all very well for some to point out that only a small part of it was a loan after the war, or that Britain repaid in principal and interest some \$2,000,000,000; that technically Britain paid some of the loan and the balance of it ought to be canceled. Let them explain that to the American taxpayers who dug into their pockets to float and pay for that loan and the interest on it.

The American people regard that debt as they regard their own personal debts; they know that they cannot go down to the bank and attempt to make a new loan while a former loan still stands on the books, not cleared up and funded, or some other arrangements made for its settlement or clearing up. The American people believe that the same code of conduct should exist between nations; they are going to find it extremely hard to believe that the Congress has the right to loan their money on the theory that it is being done in the national welfare. In my judgment, Senators are going to have a very difficult time explaining to the home folks their advocacy and support of a tremendous loan of \$3,750,000,000 to a nation which remains on our books as a debtor of between four and six billion dollars going back a quarter of a century—and moreover, a nation which we just concluded giving the stupendous sum of \$25,000,000,000 worth of goods in lend-lease.

I am not complaining about lend lease; I am not asserting that the loans of the First World War were not necessary; I am not suggesting that the present loan is not desirable. What I am insisting on—and I shall continue to insist on it—is that we begin to show some common sense and some consideration for our own people.

I suggest, therefore, and I have offered an amendment to that end, that before we make this present loan of \$3,750,000,000 Britain shall sit down with us and work out some mutually equitable method of adjusting the First World War indebtedness. I suggest, further, without restricting either our own representatives or those of Britain, that in working out such an agreement we be granted, first, permanent use of the so-called 99-year bases; second, the elimination of the present restriction against commercial use of those bases; and, third, the right to use for commercial purposes other bases which we with blood, sweat,

and tears, won back from the enemy for Britain, and others which we helped Britain retain. I wish to call to the attention of the Senate that approximately \$4,000,000,000 of American taxpayers' money was spent on the original construction of these bases.

Mr. FULBRIGHT. Mr. President—The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Arkansas?

Mr. McFARLAND. No; I am forced not to yield. I should be glad to yield, but my time is limited. I shall have to ask the Senator to get his time from the Senator from Kentucky [Mr. BARKLEY].

Mr. FULBRIGHT. I wondered whether the Senator was going to indicate in his remarks the bases he has in mind.

Mr. McFARLAND. I shall be glad to indicate in the RECORD the bases on which we spent this money.

Mr. FULBRIGHT. That is what I mean.

Mr. McFARLAND. When and if Britain and our representatives present such an agreement which gives us something in consideration for at least part of the huge First World War debt, then I am willing to vote for the proposed loan. We will, under such a program, at least have made some settlement of an old debt before we embark on a new one. I make that as one of the conditions of this loan; when that condition is met, I shall support the proposed loan.

Some may argue—and it has been so suggested during the hearings by eminent members of the Committee on Banking and Currency—that such bases are a useless and unnecessary expense to us; that they will be white elephants. It was suggested that Puerto Rico and the Philippines have been burdens to us, and that we should not take on additional burdens. Such an argument is not applicable to my proposition, for I ask only for bases and use of bases, not for the rest of the territory upon which they are situated. And the arguments made by one Senator against our taking over such bases from Britain was that we wanted them for military outposts, and that with the United Nations functioning and the atomic bomb, such military outposts have lost their military meaning.

Mr. President, to those who think along this line I should like to suggest that I am as hopeful as is any other man that the United Nations will be the effective agent to banish future wars; I also am of the opinion that the atomic bomb mitigates the military use of such outposts; but what is apparently overlooked by all those so contending is that we are all hoping for an era of peace and prosperity and commercial and economic expansion in the years ahead. And I suggest that this Nation must prepare itself for such a period of economic and commercial prosperity by expansion of its communications and transportation lines to the world.

On these bases which we have for 99 years, and on many another far-flung area in the world, we have expended millions upon millions of dollars, not alone for submarine pens, and anchorages and

harbors, and gun emplacements, and weather stations, but for communications centers and airfields. Such airfields and communications centers are potentially far more valuable in peacetime than they were in war.

I think the time has come for this Nation, the most powerful and productive in the world, to cease being a chattel of other nations. I believe that America and its people have, as the late President Roosevelt said, a rendezvous with destiny. I believe that if we want to see democracy and our way of life expand in all the places on earth, we must make sure that freedom of transport and freedom of communications really exist. It is time that we ceased giving lip service to democracy and freedom of speech and freedom of press. If we want the people of the world to know what democracy means and what it has to offer to the common, ordinary man, we must assure ourselves of the means to spread the gospel of democracy in every highway and byway in this far smaller earth.

It has been suggested that we have rights on these bases, and on other areas of the earth in which Britain or the British commonwealth is sovereign. To that, I say, examine the Bermuda aviation agreement; examine the Bermuda telecommunications agreement. Ask those who operate our air lines how free we are; ask them who fixes the rates they must charge for overseas air travel; ask those who operate our international communications companies just how free our American communications are; ask the newspapers and the press associations that have championed a world-wide free press just how free the American press association is in picking up or delivering all the news. I submit, Mr. President, that this telecommunications agreement does not give us bases for telecommunications use nor does it give freedom of world-wide coverage as advocated by men like Kent Cooper, of the Associated Press.

The agreements remind me of what Will Rogers once said:

America never lost a war and never won a conference.

I realize what we got was probably the best we could get—simply because we, the United States, must ask on bended knee for rights. But I do not want my colleagues to be deluded by fancy phrases and diplomatic wordage that we have won any great rights in these matters of vital importance in the future peacetime world.

If these bases and other areas are such great economic burdens as some on this floor would have us believe, why does not Britain give them up? Confessedly, Britain is in desperate financial straits; she cannot afford to bear further drains on her treasury entailed by maintaining Caribbean and North Atlantic bases; nor, for that matter, can she afford to make loans to other nations—Greece, Poland, even Russia. Nevertheless, she does make such loans, and such bases as she retains she does bear the burden of supporting. I think this is a time for realism; not a time for throwing up our hands and admitting that the involved economic and financial details and jargon of this new

loan agreement are too much for us, and, therefore, let us agree to it and forget the past. I believe that the American people would and do oppose such an attitude on our part; I believe the American people expect us to stand here and fight and vote for their own best interests.

The American people's best interests, Britain's best interests, and the world's best interests, compel us to handle this matter of a loan on a sound, business-like basis which will avoid friction in the future and insure the growth of the democratic ideal in the world.

Much has been said in regard to this loan being a gift. This, of course, is due to the fact that we never received payment of the last World War loan. For this reason some have suggested that it would be better for us to make an out-and-out gift to Great Britain of a lesser amount rather than make the loan provided for under this agreement. The pros and cons have already been discussed as to this being a gift or a partial gift. It is at least a gift to the extent that the interest rate is more favorable than the rate at which we can secure money from our own people, and it is on far more favorable terms than we are making to our own veterans.

We have made gifts to nations in the past under the public-welfare clause of the Constitution. The modern trend seems to be that if Congress finds an appropriation to be for public welfare that is all that is necessary. But, Mr. President, I want to say here and now that we have a grave responsibility when we give our people's money away, particularly when we give it away to another nation. It is very important that we determine how the welfare of the people of the United States is served when we make gifts or loans. For this reason I raise the question of the use of these bases. Is it to the welfare of our people for us to have these rights?

Mr. President, it was admitted by the principal Government witnesses, during the hearings, that we are entitled to the very thing I am seeking to accomplish by this amendment.

Secretary Vinson stated:

I agree with you that adequate bases are a very important item in the security of our country, but I have the feeling that the bases problem, being handled by the State Department, will be worked out.

Mr. Clayton, in discussing the general right to use these bases for civil purposes, said:

I sympathize with your feeling about the right to use the bases for our civil aviation.

When questioned in regard to securing permanent base rights in the Western Hemisphere, Secretary of Commerce Wallace declared:

I think we ought to have them, unless we get them cheaper by letting the British administer them.

But when it was called to his attention that we were not trying by this amendment to secure the islands, but only the bases, he added:

I think we should have the permanent bases.

Then when asked:

Do you think Great Britain should be willing to make an agreement with us on that basis?

He answered:

Yes; I think so.

However, our administration witnesses did not want to make the securing of these rights and the use of these bases a condition of the new loan. Now, what position would that put us in? Most of the Government witnesses have stated that because the first loan grew out of World War I it should be canceled. Because of the economic condition growing out of this war, that process of reasoning would lead every nation which borrows money to believe that the United States would never demand a settlement of its loan and would eventually be willing to cancel it.

We are faced here today with the necessity of saying to Great Britain, "If we lend you money, we expect a settlement," and the only way we can obtain a settlement is by requiring a settlement in regard to past indebtedness, regardless of how little we may receive. So I submit that the amendment as a condition of this loan is most important, not alone because of the fact that Great Britain may be led to believe by our past actions that she may not be compelled to repay this loan, but also because every other nation which may ask us for a loan will arrive at the same conclusion.

Mr. President, it has been suggested on the floor of the Senate that the adoption of the pending amendment would result in killing the British loan. My answer to that statement is that if the British people need the money of our people as badly as they claim they do, they will give us the right, asked for by this amendment; that is, they will be willing to make a deal with us by which a part or all of the First World War loan will be charged off.

It has been suggested also that by asking for these bases we may offend the British people or the British Government. Mr. President, this is the first time I have even known of someone who has money to lend being forced to beg a borrower on bended knees to take our money. Are we afraid? If so, afraid of what? Are we afraid Great Britain will not take our money? Is that the position of the United States Senate? Are we afraid to stand up for what is right? The question confronting us in the Senate today is whether the pending amendment is right. Oh, it is said that Britain may give the bases to us, anyway. There might have been a more opportune time for us to ask for these bases, but surely there is no better time than the present. Mr. President, there are more than 100 bases and installations involved. I ask permission to place in the RECORD at the conclusion of my remarks the number and names of the base areas.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. McFARLAND. Mr. President, yesterday there was issued by the Honorable Dean Acheson, Acting Secretary of State, a press release which came right on the day upon which it was thought we would

arrive at a vote on this question. What does the press release say?

The Honorable Dean Acheson, Acting Secretary of State, announced today that the British Government has confirmed its willingness to conclude a formal agreement based on the proposed arrangement negotiated at the Bermuda Aviation Conference, with respect to opening the 99-year leased bases to civil aircraft.

"Confirmed its willingness," Mr. President. No agreement has been reached. We do not know whether an agreement will be reached. I submit that the rest of the agreement is nothing more than diplomatic verbiage. I do not blame the State Department for being afraid to enter a conference if the best agreements it can get are no better than the aviation agreement and the telecommunication agreement.

It is significant that the mere fact that this amendment has been proposed has resulted in a little action toward bringing about a conference; if we adopt the amendment we will get what we are entitled to.

In the latter part of the press release Mr. Acheson calls attention to the aviation agreement, and says:

Duly authorized United States civil air carriers will enjoy nondiscriminatory two-freedom privileges and the exercise (in accordance with the agreement or any continuing or subsequent agreement) of commercial traffic rights at airports located in territory of the United Kingdom—

And so forth. "Nondiscriminatory privileges," indeed. A short time ago we heard about one of our air lines which had just changed from seaplanes to land planes. After it had installed wheels on the planes, and had landed 250 or 300 passengers in Bermuda the British decided that the air line could not use that field—a field which we built and on which forty-nine and one-half millions of American dollars were expended—and that it must use seaplanes. There they were, 250 or 300 passengers waiting for transportation, with American tickets. Is that one of the "nondiscriminatory" privileges the British are extending to us? Is that what is referred to in this press release?

What does the agreement further provide? We read in the newspapers a short time ago that our overseas air lines proposed to reduce their rates from \$375 to \$275 to and from Great Britain. The British would not stand for it. They threatened to restrict the number of flights and we had to agree to increase the fare to \$375. Is that nondiscriminatory treatment; does that improve commercial and economic relations in the world?

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. BREWSTER. Has the Senator found anything in this confidential release, for publication after 2 p. m., Tuesday, May 7, that was not previously known? Is there anything in the document that is in any way new?

Mr. McFARLAND. Not one thing.

Mr. BREWSTER. What was the purpose of this highly confidential red-type release yesterday afternoon at 2 o'clock?



Mr. McFARLAND. It could be for only one purpose, and that was to influence the United States Senate to vote for this loan. I submit, Mr. President, that to say that this press release is not complimentary to the United States Senate is putting it mildly.

Mr. BREWSTER. I think it is a rather transparent, and certainly highly simple, assumption on the part of Hon. Dean Acheson, who issued it, that the United States Senate is not out of the primary class. There is not one word in the release which has not been long known. This conference has been held, and the agreement is well known. What about the so-called two-freedom privileges? Has the Senator discussed what they involve?

Mr. McFARLAND. I have not discussed them. I should like to have the Senator discuss them when he takes the floor. I did not want to use all the time.

One of the things the so-called two-freedom proposition does is that in section 2 of the annex to the agreement, rates for international air service are to be controlled by a British-dominated cartel. There are 43 foreign air-line members of the International Air Transport Association, the organization which fixes the rates against four United States air lines. Furthermore, now that the British are ready with the machinery for controlling rates, and they have been given more than 100,000 miles of new trade routes, they can now fly their planes from New York to San Francisco, or down through New Orleans, picking up passengers for Mexico. They can deliver passengers in Detroit and Chicago, and other places in the United States. That is a part of the "great" agreement about which we have heard so much.

Mr. BREWSTER. I think it is clear that the two-freedom privilege involves no right to pick up or leave traffic of any character. It simply involves the right to land on an airport or to take off, but not the right to leave cargo or passengers, or pick up cargo or passengers for any spot on the earth. So the so-called two-freedom privileges are of very limited scope. There are three more freedoms, which involve traffic rights which are highly important, and which are not mentioned in this agreement.

Mr. McFARLAND. I thank the Senator for his contribution. I should like to add that the British Government has also now set aside \$600,000,000 to further British international aviation. Where will the \$600,000,000 come from except from our loan?

Mr. FULBRIGHT. Mr. President, may I ask the Senator if it is his purpose to yield only to Republicans in this debate?

Mr. McFARLAND. I am yielding to Senators who are going to speak on my side of the question. If the Senator wishes to ask a question he may do so in his own time. If the Senator will assure me that he intends to vote for this amendment I shall be glad to yield to him as much time as he wishes. Mr. President, this is not a question of Republicans and Democrats. This is not

a party proposition. This is a question of what is best for the people of the United States.

Mr. SALTONSTALL. Mr. President, will the Senator permit me to ask a question?

Mr. McFARLAND. I prefer not to yield further. There will be other speakers. If the Senator wishes to vote for this amendment I shall be glad to yield time to him. I do not propose to take up all the time of our side in yielding to the other side. If I could have obtained the floor yesterday, I intended to yield as much as any Senator wished me to yield, and to answer any and all questions which might be asked; but we are now speaking against time.

Mr. President, what does the telecommunication agreement amount to? I have not the time to go into it in detail, but a casual examination of that agreement shows that it does not permit us to use these bases for telecommunication purposes. If it be true that we can, without going through London, now send direct messages to Cairo, this new agreement does not permit us to transmit messages beyond Cairo or to use our station there as a repeater station, something which is needed to complete the circuit of our communications system.

Mr. President, I must not take more time. We have other speakers on our side of this question. I do not know what the Senate will do in regard to this amendment. I do not know how it will vote; but I know that every Senator will exercise his best judgment and vote as his conscience dictates.

The bases which we ask for in this amendment, Mr. President, are far flung, all over the world. They are bases which our boys fought, bled, and died to regain for Great Britain or to retain for Great Britain. They are sacred spots to the mothers and fathers of those boys, for there lie the remains of their boys. Is that right, Mr. President, that we should ask, in the name of the boys who died there, that Great Britain give us a right to use for commercial purposes these bases on those islands—little dots which would not have been worth anything had not we spent millions upon millions of dollars in developing aviation fields and communication centers on them? Are we asking for anything that is not right when we ask merely for the privilege of using these bases? What would they have been worth if we had not taken them? What would they have been worth if we had not retained them?

Mr. President, I submit that the pending vote is one of the most important votes the Senate will ever be called upon to cast, because, if this amendment is rejected, we shall be saying to Great Britain that we do not care anything about these rights, that we do not care anything about these bases, that we do not care anything about areas for which our boys died. Britain ought to be willing, if nothing else, to give us these small areas on these islands, in honor of the heroic dead.

Mr. President, as I have said, I do not know how the vote on the pending proposal will go. I shall be satisfied with the vote, regardless of what the outcome

may be. I shall content myself and satisfy my conscience by casting my vote for what I think is right, in honor of American boys, and for what I think is in the best interests of the people of the United States of America.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from Arizona yield; and if so, to whom?

Mr. McFARLAND. I yield for a question; but my time has about expired, and I am going to yield the floor in a moment.

Mr. SALTONSTALL. I should like to ask the Senator a question which seems to me to be very pertinent, along the line of the points the Senator from Arizona has made. He has twice said, and he concluded his remarks by saying, that the Senate should do what is best for the people of the United States. My question is a very sincere one. On page 2 of the amendment, the first paragraph calls for the permanent acquisition of the bases. Is not the United States and are not the people of the United States better off under a 99-year lease than they are with permanent acquisition which will compel them to raise taxes and handle all the other problems which go with permanent acquisition? And if they want to abandon such a base, they cannot abandon one which is a permanent acquisition, whereas they can abandon a leased base. That is a sincere question.

Mr. McFARLAND. I do not agree with the Senator that we cannot abandon these bases. In the first place, we are not asking for the islands. We are asking only for the small areas which we have leased, upon which these bases are located. I am perfectly willing that it be provided in the agreement that if we abandon them, the title shall revert to Great Britain. I have no objection to that. A 99-year lease, Mr. President, is a very short time in the life of a nation.

Now I yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President—  
Mr. CORDON. Mr. President, will the Senator yield to me?

Mr. McFARLAND. I have already promised to yield to the Senator from Arkansas. I yield first to him, and then I shall yield to the Senator from Oregon.

Mr. McCLELLAN. Mr. President, I wish to compliment the Senator from Arizona on his very able presentation of the reasons why the pending amendment should be adopted. I desire to announce that I shall support the amendment. I have not undertaken to make a speech in support of or in opposition to the proposed loan, but I wish to say that the principal reason why I shall vote for this loan to Britain, if I do vote for it, is in consideration of our own national security. If the loan is helpful to our national security, if anything in connection with this loan or anything identified with it serves our security in the future, it doubly serves Britain. If we are to continue to be friends and allies in the future, as we have been in the past, it

is just as much to the interest of Great Britain that we have the use of these bases permanently, as it is to our own interest, and more so.

I think now is the time to settle all the differences and all the problems between Great Britain and ourselves arising out of this war and that have carried over from World War I. I think now is the time to make the settlement, to wipe the slate clean, and to start over, either with a loan or without it.

Mr. MCFARLAND. I thank the Senator for his contribution. I have only one more minute, and I yield that to the Senator from Oregon.

Mr. CORDON. Mr. President, I simply wish to ask the Senator from Arizona if, in his opinion, one of the great values which we would receive from the adoption of his amendment would be the right on the part of the United States to use these several bases for civilian aviation, as well as for military aviation, but as to which civilian use is now prohibited?

Mr. MCFARLAND. Mr. President, I think the point the Senator has made is well taken. I tried to make that plain in my remarks. That is one of the principal purposes of the amendment. But it is to be noted that even in granting the 99-year leases, Great Britain was shrewd enough to prohibit the use of the bases for anything but military purposes.

I thank the Senator for his contribution.

I now yield the floor to the Senator from Georgia.

#### EXHIBIT 1

##### LIST OF BRITISH POSSESSIONS WHERE UNITED STATES NAVY INSTALLED AND MAINTAINED FIXED INSTALLATIONS

Newfoundland, Bermuda, Bahamas, Jamaica, Antigua, St. Lucia, Trinidad, British Guiana, Funafuti, Fiji Islands, Gilbert Islands, New Hebrides, Solomon Islands, Admiralty Islands, Australia, New Zealand, New Guinea.

The exact number of installations in each of the above-named areas is not available.

#### EXHIBIT 2

##### LIST OF BRITISH POSSESSIONS WHERE UNITED STATES ARMY INSTALLED AND MAINTAINED FIXED INSTALLATIONS

Bahamas, British Guiana, British West Indies, Bermuda, Newfoundland, Canada, Labrador, Canada (northwest district), Ascension Island, Bahrein Islands, Trucial Oman, Anglo-Egyptian Sudan, Egypt, Gold Coast, Nigeria, Palestine, British Malaya, Burma, Ceylon, India, Australia, Canton Island (United States and British), Christmas Island (United States and British), Cooke Islands (New Zealand, British), Ellice Islands, Fiji Islands, New Guinea (British and Dutch), New Hebrides (British and French), New Zealand, Solomon Islands.

The exact number of installations in each of the above-named areas is not available.

Mr. RUSSELL. Mr. President, I do not intend to make any lengthy statement on this subject. I wish, however, to reiterate the views which I expressed on this floor in October 1943, upon the return to the Senate of the first Member group from the Congress to go to the various theaters of operation around the world where the war was being waged. At that time I urged upon this country the policy of undertaking to settle many of the perplexing problems which have

grown out of this war, at the time when the tide of lend-lease was still running from our shores to our allies. It occurred to me then, and I hold the same opinion still, that it would have been much better to have settled many of these problems at that time, than it was to pass them over until after our allies had been the beneficiaries of all that they sought at our hands.

Mr. President, I have been disturbed by a sentiment, which seems to be growing up in this country, to the effect that we should speak very softly when dealing with our contributions to winning the victory in the great world war from which we have just emerged. This school of thought holds it is entirely proper for the British to refer to the tenacity with which they held on for many months, alone and unassisted, and faced by all the power of Hitlerite Germany. I agree. I commend the British for their fortitude, for that unbreakable courage which has always been a hallmark of British character. To this group it seems to be perfectly all right for the Russians to proclaim almost daily, as they do, that it was the great Red army that won the war, that beat down the armies of Germany and her allies, and brought victory to the United Nations. I have no objection to that. The American people do not yet appreciate the full extent of the losses incurred by the Red army in their great battles—battles of greater magnitude than those which occurred in any other theater in the war. I would not detract one iota from any of the accomplishments of any of our allies.

But, certainly, Mr. President, I am opposed to putting our own light under a bushel and speaking only in whispers of the great contribution of the American people and the unsurpassed heroism of the American Army, Navy, Marine Corps, and Air Forces in bringing about the victory. I state without fear of successful contradiction that if we did not win the war, at least our allies could not have won the war without our aid, both in fighting men and in materials and supplies.

Mr. President, the proposal of the Senator from Arizona seems to me to be merely a business proposition. I cannot see why it should give offense to the British, and I certainly believe there is nothing in it which could properly offend them. Nations are but aggregations of individuals. There is no reason why we cannot approach this matter on a businesslike basis in dealing with the British, just as individuals would negotiate a business deal. During the negotiations the executive arm of the United States Government imposed certain requirements upon the British. What proper objection can there be to the legislative arm of the Government, in considering this matter of such vital consequences to the American people, involving, as it does, the expenditure of a greater amount of money than was appropriated for the entire national budget in any year prior to 1934, asking that the contribution represented by the proposed amendment be made to the future security of the American people?

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHERRY. Is it not about time for the Congress of the United States to take the precaution to which the Senator has referred, and write into the statute language representing the way we feel about this agreement, and not only call it to the attention of the Department of State, but insist on the Congress being recognized in connection with such matters?

Mr. RUSSELL. I advocate such course being followed, and I shall support the amendment offered by the distinguished Senator from Arizona.

Mr. President, I wish to quote briefly from my remarks made on this floor on October 28, 1943, because I deem them to be very appropriate to the issue under consideration at the present time.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. FULBRIGHT. From my understanding of the situation, the proposal which the Senator from Georgia is supporting would result in a renegotiation of the international agreements which have been made.

Mr. RUSSELL. No; I do not believe so. The Congress cannot negotiate international agreements, but it can place limitations upon the power of the executive department to execute. That is what the effect of the amendment of the Senator from Arizona would be.

Mr. FULBRIGHT. But would not the effect of the amendment be to require new negotiations to take place, which might continue for months and months, and result in important changes? As a practical matter, I believe the Senator knows that the amendment of the Senator from Arizona would kill the joint resolution, and would require new negotiations. In the meantime circumstances will have changed.

Mr. RUSSELL. Mr. President, there would be nothing new in Congress placing limitations on the power of the Executive in connection with dealing with other nations. Congress put all kinds of limitations on the power of the Executive in connection with dealings which resulted in the creation of the United Nations. There would be nothing new about such procedure. The Congress passed measures providing that certain things had to be done, and there have been any number of similar instances of the Congress seeking to place limitations upon the performance of the executive department.

Mr. FULBRIGHT. I do not recall any important changes having been made in the San Francisco Charter.

Mr. RUSSELL. No; I did not say there were any such changes, but the Senate had the power to reject the Charter.

Mr. FULBRIGHT. Yes; the Senate had the power to reject the treaty. It also had the power to reject the League of Nations, and it did so.

Mr. RUSSELL. By agreeing to the pending amendment, the Congress of the United States will not be refusing to make the loan. It may be that the British will not like the amendment and will not agree to it, but it will represent no refusal on our part.



Mr. President, I wish to repeat the position which I took in 1943. At that time a great deal of criticism took place in the British press, and on the part of members of the British Parliament, of the statement which was made by some members of the Senate committee who had returned from a trip around the world. I was amazed at the severity of the criticism. The criticism went to the extent of taking the position that a Member of Congress had no right to express himself in connection with matters involving foreign policy. I almost obtained the idea that some of our British cousins, for whom I have the greatest regard, had very little respect for what I regarded as our rights in connection with some very important issues.

In my statement, to which I have already referred, I undertook to deal with the matter from the standpoint of postwar air rights, as well as benefits which would accrue to this country by assuring the maintenance of national defense through both civil and military rights. I now read from a copy of my remarks which were made on this floor in 1943:

All of us are concerned about American rights in air bases and air facilities which have been constructed at our expense all over the world. There should be no delay in having some definite understanding and agreement as to the postwar rights of our commercial aviation. Certainly, we occupy a better position to negotiate such understandings now than we will after the war is over. We can not expect to have sovereignty over all bases that we have constructed for military purposes, but we should be able to assure to American enterprise an equal chance with others in these bases we have paid for, and the right to operate in all parts of the world.

Air power is the decisive factor in this war. With the great development being made daily in aviation, the peace of the world and the outcome of any future wars will depend directly upon air power. Planes must have bases from which to operate. We should begin now to plan for the postwar period, both to assure the future defense of the United States and to assist in maintaining world peace on a basis of justice and equality.

Many of our close offshore bases are built on lands under foreign flags. I have never been satisfied with the 99-year lease given the United States in the destroyer deal negotiated by this country before we entered the war. This is not any 99-year country. Where would we be today if Jefferson had handled the Louisiana Purchase on any such basis, or if our rights in Florida, or if even the Alaska purchase, had been subjected to any such limitation? If we can be trusted for 99 years to occupy and develop defenses on the lands belonging to our allies, but essential to our defense, there is no reason why future generations, who will still be paying for this war, should be denied the protection these bases afford.

Time can bring remarkable changes. War will move much faster in the future than it has even in this day of blitz. With the tide of lend-lease running high from our shores, future generations of Americans should not be subjected to the danger of having these bases, built and maintained by Americans, used against them 100 years from now. It should be possible to work out some arrangements which will give us permanently such protection as these bases may afford.

Mr. President, I am more impressed with the cogency of that argument today than I was at the time it was made.

Since 1943 there have been tremendous changes in the method of waging war. We are confronted in the future with a possible war in which bombs will be shot through the heavens for distances of three or four thousands miles. Our departments of national defense are today seeking methods of stopping such rocket bombs, one of which with an atomic war head would destroy the largest city in America. They are seeking to stop them by devising other rockets which will be projected into the stratosphere, strike the atomic rocket, and explode it before it can reach our shores. The bases which we hold under 99-year leases will be absolutely essential to our national defense as new inventions make the world smaller and bring us closer to danger from abroad.

I referred, Mr. President, to the fact that future generations of Americans would be paying for the more than \$40,000,000,000 of lend-lease supplied to our allies in this war. The same future generations, yet unborn, will be contributing taxes to defray the \$4,000,000,000 British loan which is proposed by the pending joint resolution. They are entitled to some benefit from their expenditures. Are we to say that we will mortgage the future of this Nation, spend its resources and revenue recklessly and without limitation or restriction, and compel our citizens of the future who have burdens of their own to face to pay the bill without even the modest protection of these bases?

This proposal should not give offense to the British. It is certainly only sound business on the part of these United States, and I believe it can be worked out, the bases can be secured, and the British can be protected in their sovereignty over the islands on which they are located. We can, therefore, at least give to those who will be taxed in the years from now on to pay the debts growing out of this war a little better chance of defending themselves in the case of aggression and the use of new weapons of war of which we today cannot even dream.

Mr. BARKLEY. Mr. President, I yield to the Senator from Arkansas [Mr. FULBRIGHT] such time as he may desire to use.

Mr. FULBRIGHT. Mr. President, I have already spoken on this amendment, and I merely wish now to make a few observations. First, I should like to say, with regard to the last suggestion of the Senator from Georgia, that I am quite unwilling to accept these few puny bases in payment either for lend-lease or for the efforts we put forth in the war. I expect a great deal more of Great Britain and our other allies than the transfer of a few pieces of isolated real estate.

Furthermore, I think the suggestion of the Senator, using the analogy of the Louisiana Purchase, is not in point. I quite agree that in that case a 99-year lease would not have been proper, but that was in a period when this Nation was expanding; it was in a period which we may well call imperialistic, when we were aggressively engaged in building up our country. For some time now the United States has not been an imperial-

istic nation, and it is not concerned with increasing its size.

If we were interested in acquiring territory, which the Senator from Arizona and the Senator from Georgia seem to suggest, for half the sum involved here we can send a battleship or two which we now have and obtain much more land than is involved in these bases. If that is what we are after, why do we not send down a little expedition to Colombia or Nicaragua or some other small country or island, and take them? If that is the business we are interested in that would be a much simpler and cheaper procedure to follow.

Mr. RUSSELL. The Senator from Arkansas then, sees no difference whatever between our requesting bases from the British before forcing on them a loan of four thousand million American dollars, to be paid by future generations of taxpayers and wantonly committing an act of aggression against good neighbors who have not offended and who have not asked for \$4,000,000,000.

Mr. FULBRIGHT. If the purpose is simply to acquire more real estate, if we are seeking to get more land, I see very little difference except in degree. I say, however, that our purpose is not simply that. I thought our only interest in these bases was purely as a matter of defense, certainly not the acquisition of permanent land areas.

Mr. RUSSELL. Mr. President, will the Senator yield there?

Mr. FULBRIGHT. I yield, but I also have a limited time.

Mr. RUSSELL. If the Senator does not care to yield, it is quite all right.

Mr. FULBRIGHT. I am glad to yield.

Mr. RUSSELL. My attitude might be different if I thought the condition of the world today was such that we could forget for the future the need for bases or for national defense. I have as much yearning for the success of the United Nations and for permanent peace as any other man in the country, because I realize that the salvation of the nations of the world depends upon it, but I am not willing to agree at this stage in the life of United Nations that we can afford to place the destiny and future defense of the United States entirely in its hands.

Mr. FULBRIGHT. The Senator understands, of course, we have these bases for 99 years, and, in the first place, I doubt very seriously—

Mr. RUSSELL. I think about 94 years now. I think it has been about 6 years since the leases were made.

Mr. FULBRIGHT. If 4 or 5 or 6 years make any difference to the Senator, I suggest that is a very short-sighted view of the future development of the world, both in atomic energy and in every other kind of weapon. I certainly do not believe that the significance these bases had during the last war will remain the same in 99 or 94 or 93½ years from now. I do not think they are particularly important in that respect. I think their importance will gradually grow less as the world becomes smaller. I have no doubt that it will not be very long until there will be plenty of planes that will have the power and capacity to hop over these bases. The fact is the Azores



would be much more important than these little islands.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. McMAHON. Did our negotiators raise this point with the British or was there any testimony before the committee? Did they take any attitude on it? Was it put up to them?

Mr. FULBRIGHT. I do not think it was put up to them for the reason that, as I read in an editorial yesterday, which I think to be the truth, the best informed people do not believe that it is preferable to own them outright. The editorial I read yesterday suggested that, rather than hold these bases and other bases permanently, President Roosevelt very wisely preferred to have them on a lease basis, which did not devolve upon us the responsibility of the sovereignty of those governments, as permanent, absolute ownership would. With that, I entirely agree. If the British had offered them, in my judgment, our negotiators would have been much wiser to leave the situation as it now is. I do not think we want them as outright possessions.

The question of our own welfare, which both Senators have raised, involves a difference in judgment. In my opinion, we are as well if not better off with the present arrangement affecting these bases than if Great Britain had transferred them to us absolutely. As it is we merely have military responsibility. If this country is going to continue the policy of not seeking more real estate, but of seeking to create a better world in which we can all live in peace—if that is our policy, then I think it is inconsistent to seek to obtain more and more real estate.

If, on the other hand, we have despaired—and I am not sure that I am not about ready to despair—of any possibility of working with other countries, of any responsibility in international affairs, if that is to be our policy, then the only logical course is to proceed to acquire not only the bases indicated, but other important bases. I do not like to quibble over these puny little things, which are not of much importance. If we want something—and we are now able to get it—why should we not go out and take the Azores, and Iceland; and Greenland, and any other land? We probably could take anything we want other than the territory of Russia. We could take whatever we like, certainly anything approachable by the sea. If that be our policy, why do we not acknowledge it? I sometimes think perhaps that might be the only kind of policy we can understand.

Mr. McMAHON. Leaving out of consideration the advisability of acquiring title to more real estate, as against 99-year leases, what has the Senator to say about the second provision, which calls for giving us commercial rights on these bases? I think that is where the argument should come, not on the other matter.

Mr. FULBRIGHT. Under the announcement of the Acting Secretary of State yesterday, they have already agreed on commercial rights, except for some

technical details. I do not think there will be any difficulty in that.

Mr. MAGNUSON. Mr. President—The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Arkansas yield to the Senator from Washington?

Mr. FULBRIGHT. I yield.

Mr. MAGNUSON. I think the Senator should make clear the fact that in speaking of bases the Senator from Arkansas is apparently basing his remarks on the premise that in all cases leases have been made. Of course, we are talking about a great number of bases used by us during the war jointly, or by us alone, as to which there has been no arrangement made at all.

Mr. FULBRIGHT. And a great many of those bases are not within the control of the United Kingdom. That is one trouble with this amendment. It seems to assume that any base anywhere we should get, that the British should undertake to get it for us.

Mr. McFARLAND. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I do not yield to the Senator from Arizona, in accord with the precedent he set.

Mr. McFARLAND. I thank the Senator.

Mr. FULBRIGHT. The Senator understands, I think. I think both Senators to some degree—and it was emphasized by the Senator from Arizona—misunderstand the part we played and the interest we had in both wars. They both proceed upon the assumption, at least the implication arises from their remarks regarding the war debt, that neither of these wars was our war, that we were a by-stander who was observing a battle, that the outcome was of no particular interest to us, but that we did lend some money for the pursuit of a war, of a project, which was really not our concern; therefore this debt, which arose out of that transaction, should be viewed exactly as any other debt, just as a banker lends money to a man to build a factory and make a profit out of it; and certainly on good sound business principles, in which the Senator from Arizona is so much interested, that is the way to proceed.

The whole theory of lend-lease—and I think the theory was just as applicable to the First World War as it was to the last war—was that it was our war, that we were interested in winning it. If the British had folded up, or any other ally had folded up, I think we would have gone on to pursue it to victory or defeat. The fact was that by following the principle of lend-lease we gained, in the sense particularly that we saved the lives of a great many of our own boys, who would have had to man the machines we supplied to the British, to the Russians, and to any other ally in either war. We supplied munitions and machines in place of supplying men to run the machines. Of course, we would have supplied the machines in either case, but it at least saved the lives of our men. That was the underlying theory.

We decided that it was all important that we win the war, and when we get into a war we pursue every possible ap-

proach. I think this was one of the most efficient approaches. If we assume as correct the idea about the First World War debt and about lend-lease which is continually brought up, that we gave them, as some say, twenty billion, and others forty billion, depending upon the mood of the speaker—it is somewhere around \$20,000,000,000, I think—if it is a loan in the sense that a banker makes a loan to someone to make a profit, then the argument of those in opposition follows properly, and I think they are correct. On the other hand, if that is not the correct basic policy, then I think their argument falls down, and there is no use bringing into this argument the reference to the First World War debt, except that part which was advanced after the war and not for munitions or for lend-lease.

Mr. TYDINGS. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. TYDINGS. If it was a gift, then it should not have been called lend-lease, because it was neither loaned nor leased. I think it was misnamed, and anyone on either side of this argument must concede that the designation "lend-lease" was a thoroughly expedient one, rather than an honest designation.

Mr. FULBRIGHT. I am sure the Senator has been a Member of the Senate long enough to know that it was not the first time expediency was resorted to in this body or any other body in politics. I do not know who made the decision to name it, but its purpose is perfectly evident on the face of it. In considering the pending amendment, or other amendments, to the joint resolution, many are not willing to vote against the loan because they know the people think it is a proper thing to do, though perhaps not as to all details. I do not say that all the people have made up their minds and know that every last dot in this measure is all right, but they know in general that it is in accord with the policy we have adopted and have been following for the last 3 years. But through expediency they choose to adopt an amendment which on its face does not look too bad, and in that way destroy the loan, and that is exactly what the purpose of the amendment is. If the amendment is agreed to, I think it might well be known, and everyone might well admit, that that will be the end of the agreement. We will have to go back and follow the same old policy we followed after the last war, when we made reservations to the proposal to join the League of Nations. We never did reject the League of Nations, no, we just amended it, and reserved, and amended, until, of course, it became a nullity.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. LUCAS. I understand the effect of the amendment would be to give title to the United States to the territory we have entered under leases made by the British.

Mr. FULBRIGHT. That is one little element of it.

Mr. LUCAS. In other words, if the amendment should be agreed to and



England should accept it, there would be two sovereignties over the same island, would there not?

Mr. FULBRIGHT. Yes; there would be an enclave in these islands, that is, a separate sovereignty over one piece of territory in a larger one, somewhat similar to the Polish Corridor. I think Teschen was treated that way, as well as Alsace-Lorraine, and so on. History shows that every time that has been tried it has always been the source of a great deal of conflict and trouble.

Mr. LUCAS. That is the point I desired to make. The Senator has anticipated my next question by his answer. In other words, the United States of America is going to set up a sovereign power on a thousand acres, or 5,000 acres, whatever it might be, upon one of these islands, surrounded completely, we will say, by British territory and British sovereignty. It seems to me ridiculous to suggest that we should undertake to do that. We either should have all the island—

Mr. FULBRIGHT. That is correct.

Mr. LUCAS. Or we should not have merely a miserable little strip over which we exercise sovereignty. It seems to me that kind of an arrangement would create confusion and cause interminable trouble.

Mr. FULBRIGHT. I agree with the Senator entirely. That has been the history of all similar arrangements throughout the centuries.

Mr. MAGNUSON. Mr. President, will the Senator yield further?

Mr. FULBRIGHT. I yield.

Mr. MAGNUSON. I will say to the Senator from Illinois that only in one or two cases, in respect to the bases we have indicated we might need, would that condition exist. It is not a Polish Corridor, nor has it caused confusion. We have been doing the same thing for many years in Cuba, where we have a great naval base at Guantanamo Bay, over which we have control.

Mr. FULBRIGHT. Do we own it outright? Does it belong to us?

Mr. MAGNUSON. No. We have complete sovereignty over it for a period. I have not checked the number of years, but we had over a 99-year mandate over it and complete sovereignty. It was not a lease.

Mr. FULBRIGHT. Well, we do not own it, but have complete sovereignty over it. How can the Senator say it is not a lease?

Mr. MAGNUSON. We have complete control of that part of the island of Cuba for 99 years.

Mr. FULBRIGHT. Exactly, like we have over these bases.

Mr. MAGNUSON. The Senator can call it a lease or whatever he wants to call it.

Mr. FULBRIGHT. Why does the Senator cite that illustration as a ground for supporting the pending amendment? I call attention to part 2 of the amendment, as follows:

(2) Peacetime commercial use by the United States of other bases built by the United States in the British Empire or in areas controlled by Great Britain.

It says "areas controlled." It does not say areas owned by Great Britain. But

under this provision Great Britain would have to undertake and assume to go into any area in which she has more or less influence. I do not know whether it can be said that Great Britain controls Egypt or not. I do not think Great Britain does control Egypt. But Great Britain has a certain influence over Egypt. She may control the area around some airport. I do not know that. But the provision in question is very indefinite. Under it we first have to negotiate with the British, and the British, of course, would have to negotiate with these other areas. If it be some mandated area or some area such as Egypt which is on a treaty basis, or Palestine, the British must undertake, wherever we have these airports, to be our broker, I will say, and get us these rights instead of our doing it ourselves.

Then we would have to come back to the Congress and go through the same procedure we are going through now. I have no doubt that even if the British undertook to do it, there would not be any possibility that they could bring in any agreement that would be final, but we would always find we should have to have a little more territory; that if we received a thousand acres we should have 5,000 acres. It is a hopeless approach to the situation.

The last paragraph is utterly incomprehensible to me. I would not undertake to say what it means. It has something to do with the World War I debt.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. TUNNELL. I was going to ask the Senator what effect he thought paragraph (2) would have on the bases built by the United States in England? I understand that on the island there are perhaps 150 bases which were built by the United States.

Mr. FULBRIGHT. Yes; there are a great many.

Mr. TUNNELL. There are many such bases. I am wondering whether that language would require them to be turned over to the United States?

Mr. FULBRIGHT. Under the language of paragraph (2) "Peacetime commercial use by the United States of other bases built by the United States in the British Empire or in areas controlled by Great Britain," the bases in England would be under our control. That is quite true. I think there were at least 150 built by us. I saw several of them. I saw one which covered several thousand acres. I presume that would be necessary.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. BREWSTER. I hope the Senator has checked that. It has been my understanding that in the United Kingdom the bases were all constructed under reverse lend-lease; that they were not constructed by Americans, but were constructed by the British. I think that statement is correct.

Mr. FULBRIGHT. Mr. President, my attention was distracted for a moment. I am sorry, but I did not hear what the Senator said.

Mr. BREWSTER. It is my understanding that the bases in England were

constructed under reverse lend-lease. We furnished some of the building material, but the British built them for us, and simply credited us with reverse lend-lease on them.

Mr. FULBRIGHT. Some of them?

Mr. BREWSTER. I think all of them.

Mr. FULBRIGHT. That was done by reverse lend-lease. But I do not know why, if it was reverse lend-lease, and there is a balance in our favor, we could not set up a bookkeeping transaction. They belonged to us, and we paid for them through lend-lease.

Mr. BREWSTER. No; it is my understanding that the British entirely built those bases, so they would not come under the provisions of paragraph (2).

Mr. FULBRIGHT. Mr. President, I regret having taken more time than I should have taken on this subject, and I must decline to yield further. I wish to conclude my remarks.

There was one further thought I had concerning the remarks of the Senator from Arizona, in which he laid great stress upon the sacrifices of our boys in taking these bases. I want to ask the Senator a question about that. How many of our boys suffered and died in taking the bases on Newfoundland or in the Caribbean or on Bermuda? I do not recall that any of them did. Apparently the Senator was trying to inject into his argument the losses which we suffered on Okinawa and Iwo Jima but it is not my understanding that those bases belonging to or are controlled by the British, or have anything to do with this agreement. It seems to me it is not quite appropriate to seek to confuse the issue by bringing in what happened on those bases which we have already acquired, and, so far as I know, are going to keep.

The PRESIDING OFFICER. The Senator from Kentucky [Mr. BARKLEY] is recognized.

Mr. BREWSTER. Mr. President, I understand it is agreeable to the Senator from Kentucky for me to proceed at this time.

Mr. BARKLEY. Am I to understand that the Senator from Arizona is giving of his time to the Senator from Maine?

Mr. BREWSTER. Yes.

The PRESIDING OFFICER. The Chair will ask the Senator from Maine, in whose time is he proposing to speak?

Mr. BREWSTER. In the time of the Senator from Arizona.

Mr. McFARLAND. I yield 10 minutes of my time to the Senator from Maine [Mr. BREWSTER].

The PRESIDING OFFICER. The Senator from Maine is speaking in the time of the Senator from Arizona.

Mr. BREWSTER. It almost seems to me we are back in the House where we would obtain 10 minutes of another Member's time occasionally.

Mr. BROOKS. Mr. President, will the Senator yield to me?

Mr. BREWSTER. I yield.

Mr. BROOKS. I realize full well the importance of the pending legislation, and particularly the pending amendment, and I shall be present to vote on it; but I ask unanimous consent that after that vote is taken I may be absent from the Chamber of the Senate for the remainder of the afternoon.

The PRESIDING OFFICER. Without objection, the request of the Senator from Illinois is granted.

Mr. BROOKS. Mr. President, for the record I should like to state that if any other votes are to be taken this afternoon, the junior Senator from Wisconsin [Mr. WILEY] has kindly consented to be present and to refrain from voting, observing a pair with me.

My bride to be and I are fully conscious of the importance of the legislation and the problems confronting the Nation at this moment. We are, therefore, not leaving the city, but I am happy to have obtained unanimous consent to be absent for the remainder of this afternoon so that I may attend my own wedding.

Mr. BREWSTER. Mr. President, I want first to make it clear that through the past 25 years, while the Senator from Arkansas was accumulating his enthusiasm for international collaboration, it has been the part of the Senator from Maine to welcome all proposals along that line, and to give them my support in public life. I think almost without exception from the day 25 years ago when I assisted in forming the League To Enforce Peace, and as the executive secretary of the League To Enforce Peace, supported the late lamented League of Nations in the State of Maine, and all the time I have been in Washington, I have subscribed to all policies calculated to strengthen our collaboration with foreign countries; and also to strengthen our own military organization, the draft, and all similar measures.

In the language of the distinguished chairman of the House Judiciary Committee, Representative SUMNERS of Texas, however, it would seem as though I were here approaching the point where I should have to cash in my checks, as it seems we have gone overboard in somewhat too big a way.

The point which has troubled me greatly is the utter failure of the State Department to consult the responsible body in the Senate, the Foreign Relations Committee, or any other group, in the development of a step which I think everyone will agree must have profound consequences upon our country as well as upon the world. The very opposite of the approach which prevailed in connection with the United Nations and which was so successful in accumulating 91 votes in this body in support of the United Nations—the very opposite course was followed in this instance when we are presented with what may be called an equally fateful decision.

It seems to me that if our discussions here shall do nothing else than to awaken the State Department to the wisdom of continuing the collaboration which it established under the leadership of Cordell Hull in connection with the United Nations, and which proved so effective in gaining the confidence both of the Congress and of the country, we shall have taken a great step forward. With respect to the course which has been followed in connection with other measures, a far less happy picture is presented; and here we have the opportunity to pause.

What has concerned me has been the overwhelming rejection of the proposal of Winston Churchill for an Anglo-American alliance. Opinion in America was seemingly opposed to that proposal, because of what was believed to be its unfortunate consequences upon world opinion, where these great issues are to be decided. However, while the rejection of the proposed Anglo-American alliance was almost universal, we have seen developed through executive action policies which seem nicely calculated to establish in the minds of the world the conviction that such an Anglo-American alliance certainly prevails. I refer to five items in this development which it seems to me we in this body cannot safely ignore, and which are all calculated to cultivate in the minds of the rest of the world—and Anglo-Saxon civilization is only 10 percent of the world—the belief that there is an Anglo-American agreement, alliance, or understanding, and particularly to justify the appeal which Russia is so obviously making to world opinion, that there is an Anglo-American attempt to dominate, if not dictate, the course of world affairs.

In my judgment, nothing could be more unfortunate than for that opinion to seem to the world to be justified. And yet in the past year we have seen negotiated the Anglo-American petroleum agreement, from which Russia was excluded, although she has a third of the petroleum resources of the world. We have seen the Anglo-American Palestine inquiry, in which America had no more interest than has Russia or any of the other members of the United Nations, or any member of the League of Nations. Yet it involved America in some sort of an understanding with Britain on one of the most touchy problems of the world.

The Anglo-American atomic-bomb agreement, with the spirit and purpose of which I am in accord, was executed as the result of a flamboyant trip to America by Mr. Bevin, Britain's Foreign Minister, to make with great aplomb an agreement which was calculated not to please the rest of the world. In my judgment, it would have been much better had it been executed behind a diplomatic barn.

Finally, there is the Anglo-American aviation agreement, which has been denounced by 17 of the 18 members of the Committee on Commerce of the Senate as being utterly a violation of the powers of this body, by the executive department which negotiated it.

We now have before us the Anglo-American loan of \$4,000,000,000. Nothing could be more nicely calculated to convince the world that there is an Anglo-American alliance against the rest of the world. I am an ardent advocate of cooperation with Great Britain. I believe in the British, in their principles, and in collaboration. But if the impression is derived by the world that Britain is writing the ticket in this particular deal, then in my judgment we shall drift steadily toward the day when we shall furnish the catalyst which will precipitate the world into the conviction that America and Britain are going a trifle too far. That is why I think we should proceed

slowly, and why I am in most cordial sympathy with the attempt of the United States Senate to contribute to the negotiation of this agreement by asking that the extremely vital aviation bases shall be permitted to be included in the discussions incident to the agreement.

The proposal seems to me to be modest. It seems to me to be proper. It seems to me to be one which the State Department should properly have taken into its purview long since if it had had either the courtesy, the consideration, or the perception to realize that this coordinate branch of the Government, which must furnish the \$4,000,000,000 out of the pockets of the American people, is entitled at least to be considered and consulted on some of the details of the arrangements, particularly on the question whether or not the aviation fields which we have built around the world at an expense of nearly \$4,000,000,000 should be permitted to be used by American commercial as well as military enterprise.

That is why it seems to me that the pending amendment may well be seriously considered, and that its adoption will simply mean a further step in the realistic approach to the negotiation of agreements that shall be calculated to establish in the minds of the American people, as well as in the minds of the world, that we in America are coming far more realistically to the discussion and consideration of these problems, and that Russia may to some extent be reassured that America is not simply engaged in an anti-Soviet campaign, the results of which are incalculable upon the future peace not only of America, but of the world.

Mr. MAGNUSON. Mr. President, I wish to be brief, but I feel that I should make a statement regarding the pending amendment.

The PRESIDING OFFICER. Will the Senator inform the Chair on which side of the question he is speaking?

Mr. MAGNUSON. I am speaking in the time of the Senator from Arizona [Mr. McFARLAND].

A few minutes ago the Senator from Arkansas [Mr. FULBRIGHT] intimated—and he may be correct in some instances—that any Senator who would vote for an amendment to this measure might have in mind the purpose of sabotaging the whole proposal. I do not know who has such a thought in mind, but I will say to the Senator from Arkansas that I intend to vote for the British loan whether the McFarland amendment is adopted or not.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. FULBRIGHT. I did not mean to say that the Senator had any such purpose in mind. I said that the practical effect of such an amendment would be to destroy the agreement.

Mr. MAGNUSON. Like the Senator from Georgia [Mr. RUSSELL], I believe, and have believed for many years, particularly since some service in the Pacific, in the necessity of the acquisition by America of certain territory which might be used as military bases. It so happens that much of this territory belongs



to Great Britain or her dominion or colonies. Practically none of it has any economic value to the British Empire. I believe that not only during the war, but since the war has ended, America has not embarked, and is not embarking, upon any imperialistic venture, or attempting to acquire mere real estate, as was suggested by the Senator from Arkansas. She is merely trying to obtain for herself certain tools which she must have in order to carry out the responsibility which she owes not only to herself and her people, but to the people of England and the people of the world. What most of us want, and all that most of us hope to acquire, is the tools to do that particular job.

We built many of these bases. We spent American money. In some cases some of the Allies contributed labor or materials. The situation is far different in this case than it would be if we had our eye on territory in which we had no investment whatsoever. I agree with the Senator from Arkansas that that would be imperialism.

At first I was somewhat doubtful as to the germaneness of this subject to the British loan legislation. After reading the hearings, the reports, and the joint statement issued by the Anglo-American Financial and Commercial Committee, I have come to the conclusion that, so long as we are adding up the debits and credits of this war, we can properly include bases which were built with American money.

I was hoping that possibly the amendment might be so worded that we could either acquire permanently or lease. In some cases one arrangement would be better, and in other cases the other arrangement would be preferable. But it seems to me that without in any way sabotaging the British loan, while we are finishing another chapter in our relations and adding up lend-lease, loans, and all the other things incident to the joining of the two countries in this war, we might at this time also throw in the bases which we so sorely need to help both England and America to maintain peace in this world.

Mr. HAWKES. Mr. President—

The PRESIDING OFFICER (Mr. SALTONSTALL in the chair). The Senator from New Jersey is recognized. The Chair wishes to inquire in whose time the Senator from New Jersey is to speak.

Mr. HAWKES. I shall speak in the time of the Senator from Arizona [Mr. McFARLAND], and I shall speak in favor of the adoption of the McFarland amendment to the pending measure, Senate Joint Resolution 138, the so-called British loan joint resolution.

Mr. President, I do not believe there is a Member of the United States Senate who has greater respect than I have for what the British people have done for civilization in establishing, maintaining, and protecting the rights of individual freedom under the philosophy that the people should be the masters of their government, rather than to have the government be the master of the people. I have great respect for the moral fiber and the character of the British people, notwithstanding the mistakes they have made during the past

two or three centuries. I believe their virtues far outweigh their faults.

It was with deep regret that I saw the British people defeat their great war leader, Winston Churchill, after he had rendered to the nation, in an hour of need, a service such as, in my opinion, has never before been equaled by any other Englishman.

Even though I do not believe in the course the Attlee government is taking, I still believe in the moral fiber and character of the British people. They have a right to make mistakes in choosing leadership, just as we have made mistakes in this country; and there are indications that the majority of the British people do not want socialism per se.

I am not at this time going into the merits of the British loan under proper terms and conditions. I shall undoubtedly have something to say on that subject before we come to the final vote on the loan joint resolution.

Mr. President, the sponsors of this loan say its purpose is to create a better relationship and better understanding between the people of the United States and the British people.

I feel a deep sense of responsibility to the American citizen who must pay the bills for any mistakes we in the Congress and the Government may make. If I were voting my own money, I might do it on an entirely different basis than the one on which I am willing to vote to loan or give away the money of the American citizen, who already is saddled with a debt of approximately \$275,000,000,000.

We contend we wish to find a balance in equity and justice between our two countries. If that be so, then why should not we do now the thing which will start us toward that balance?

We are releasing Great Britain from a \$20,000,000,000 obligation under lend-lease. If this loan is made, we shall release her from approximately \$6,200,000,000 of war debt, with interest, from World War I. If this joint resolution passes, we shall have sold her \$6,500,000,000 worth of war supplies and materials, a great portion of which can be successfully used for peacetime purposes. This sale will be made for \$650,000,000, or 10 cents on the dollar.

To bring about this balance in equity and justice with a hope for some kind of a balanced trade, we have appropriated approximately \$6,000,000,000 for the Bretton Woods Bank and International Fund. We have authorized loans through the Export-Import Bank up to \$3,500,000,000.

Exhaustive statements have been made on the floor of the Senate to the effect that if we make this loan without any security or collateral, we shall have great difficulty in refusing other nations who were allies and who are now also in distress.

The terms of the loan are cleverly conceived in such a way as to deceive the average American, even though the terms might be justified under the conditions. I believe that the average American should be told frankly that the chances are about 10 to 1 that Great Britain will never be compelled to pay the interest on this loan; yet our Government must pay interest to our citizens for the

money which we lend to Great Britain, and we are requiring the American veterans to pay interest on the money which is loaned to them in small amounts.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HAWKES. I cannot yield. I should like very much to yield, but I must conclude.

Mr. President, the time is short, but I must say that if I were high up in the councils of the British Nation, I would have begged my government to notify the Government of the United States that in the interest of finding a balance in equity and justice, Great Britain proposes to give to the people of the United States the very rights and privileges which the McFarland amendment demands as a condition of the British loan.

We are talking about making friends. There are millions of people in the United States who feel that Great Britain should do something which clearly lies within her power to do at this time. They feel that these rights to the use of military, air, and naval bases should be established now, if the countries are acting in good faith. If Great Britain had offered to do this voluntarily, she could have made friends of millions of our people who now are looking at her with suspicion.

As one American I am becoming tired of seeing our Government do all the giving, in return for promises to discuss situations in the future. That is not the way America was built, and so far as I know, it is not the way any business under freemen ever was built.

I cannot forget that we threw into the vortex of World War II the lives of more than 12,000,000 of our best citizens. We left buried more than 250,000 of our finest citizens, and we suffered casualties of more than 750,000 additional, most of whom will remain incapacitated as long as they live. We have spent, outside of lend-lease, between \$150,000,000,000 and \$200,000,000,000 to aid the cause of freemen and free institutions.

I hope this amendment will be adopted and made a part of the British loan procedure. We shall be in a safer and better position in our loans to other countries if Great Britain gives something tangible in return for this loan which she needs. If she is sincere, as I believe she is, in stating that she wishes to cooperate fully with our great Nation to establish equity and justice in all our relationships, then this demand on our part should not in any way embarrass her.

I hope that if this proposed loan is made, it will be made in such a way as to build real understanding and friendship, because words are of little value unless the actions which follow the words keep faith with the meaning of the words. In the interest of the preservation of individual freedom and the kind of economy which can only exist under men who are free in fact, and not merely in word, I hope this amendment will be adopted; for I may then vote for the loan with the feeling in my own heart and conscience that I have honestly and intelligently served the interest of all Americans, as well as having been kind

and considerate to the British people in the hour of our mutual need and, I hope, our common objective—the preservation of true, individual freedom.

Mr. President, I cannot agree with the argument that the loan will have to go back for complete renegotiation, in the event this amendment is adopted. From my point of view, all that will be necessary will be for the British Government to decide whether it is willing to fulfill the requirements of this amendment. Of course, if it refuses to do that, then the loan will have to be renegotiated; and if it is, I hope the representatives of the United States of America will see to it that the loan agreement has mutuality and good and valuable considerations, the giving of which lies clearly within the hands of those asking for the loan.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. BARKLEY. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 29 minutes.

Mr. BARKLEY. I yield 5 minutes to the Senator from Arizona.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed at the end of my remarks, in connection therewith, a brief statement which I issued on February 15, 1946, relative to the British loan.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. HAYDEN. Mr. President, I shall read the last three paragraphs of the statement at this time:

In his recent address to the Russian people, Premier Stalin announced a definite plan for a great expansion in the industrial development of the Soviet Union and frankly stated that this is to be done in order to increase the military might of that nation. Judging the future by the past, Russia will accomplish that result—which raises the question as to whether 25 years from now it will be to the advantage of the American people to have the British Commonwealth of Nations strong, prosperous and friendly to us. To me it appears obvious that in helping them we are also advancing our own interest in both the near and more distant future.

Since the Federal Government was established, every generation of Americans has gone to war. These wars began in 1812, 1846, 1861, 1898, 1917 and 1941 on an average of about a quarter of a century between them. After every war the American people have assumed that it was the last one; that we could isolate ourselves from the rest of the world; that economic conditions in other nations are of no concern to us. Two world wars have taught us that such an assumption is utterly false.

We all hope and pray that the United Nations can find a way so that the children of today will not have to endure a Third World War in which air power, the atomic bomb, and other improved weapons of destruction may be used with quick and devastating effect. For my part, I shall do what I can to see that the English-speaking people of the world remain friends and able to unite with strength to fight, if necessary, for their freedom.

Mr. President, with reference to the pending amendment, I may say that if the assumption is that our next war is to be with Great Britain, by all means let

us acquire these British bases. But if our next war is to be with Russia, then it is much better to leave the technical title to the bases as it is, because they are so located as to be of but slight advantage to us except with active British cooperation.

Based upon 19 years' experience as a member of the Senate Committee on Territories and Insular Affairs, I say that the smartest thing that was done after the Spanish-American War was to make Cuba free. The next wise move was to promise freedom to the Philippines, which is soon to be attained.

The worst mistake was to annex Puerto Rico, and the next worst mistake was to purchase from Denmark, as an outlying defense of the Panama Canal, the Virgin Islands which the advent of the airplane has made worthless. No base can effectively be acquired without taking also the people who live on it. Millions of dollars have been appropriated from the Federal Treasury, and many millions more will be spent with no hope of bringing the people of Puerto Rico and the Virgin Islands up to the American standard of living.

Because of overpopulation and its race problem, Jamaica is as much of a headache to Great Britain as Puerto Rico and the Virgin Islands are to the United States, and I do not doubt that the British would be glad to give us the whole island, with all of its internal troubles. But if they did so, Jamaica would soon ask for admission into the Union just as Puerto Rico and Hawaii are now demanding it.

With respect to the military and naval bases now under lease from the British, this is the time to let well enough alone.

#### EXHIBIT A

##### STATEMENT BY SENATOR CARL HAYDEN

I shall support the joint resolution to authorize the British loan because of the following considerations:

1. The Second World War came after years of world-wide business depression. Wars are fought for economic even more than for political reasons, and it follows that a prosperous world is more likely to remain at peace. We are, therefore, justified in promoting prosperity throughout the British Commonwealth of Nations as a means of insuring the peace.

2. More than 40 percent of our foreign trade is with the people of the British Empire, and they carry on almost half of the foreign trade of the world. Certainly it is to our advantage to have our best customer prosperous and in a position to promote prosperity in other countries.

3. To get this credit the British agree to the removal of trade restrictions so that American traders can enter their markets on fair and equal terms. Our own prosperity depends upon greater world trade, and we know that we can successfully compete in the world markets if trade and currency barriers are removed. In my opinion, this is the most important feature of the British loan agreement.

4. The Secretary of the Treasury, Mr. Vinson, has very properly said that the British credit is in no way a precedent for loans to other nations because no other country has the same strategic position in world trade. What the British do is of the highest significance in determining what kind of a world economy we are going to have.

5. In his recent address to the Russian people, Premier Stalin announced a definite plan for a great expansion in the industrial

development of the Soviet Union and frankly stated that this is to be done in order to increase the military might of that nation. Judging the future by the past, Russia will accomplish that result, which raises the question as to whether 25 years from now it will be to the advantage of the American people to have the British Commonwealth of Nations strong, prosperous, and friendly to us. To me, it appears obvious that in helping them we are also advancing our own interest in both the near and more distant future.

6. Since the Federal Government was established every generation of Americans has gone to war. These wars began in 1812, 1846, 1861, 1898, 1917, and 1941, on an average of about a quarter of a century between them. After every war the American people have assumed that it was the last one; that we could isolate ourselves from the rest of the world; that economic conditions in other nations are of no concern to us. Two world wars have taught us that such an assumption is utterly false.

7. We all hope and pray that the United Nations can find a way so that the children of today will not have to endure a third world war, in which air power, the atomic bomb, and other improved weapons of destruction may be used with quick and devastating effect. For my part, I shall do what I can to see that the English-speaking people of the world remain friends and able to unite with strength to fight, if necessary, for their freedom.

WASHINGTON, D. C., February 15, 1946.

Mr. BARKLEY. Mr. President, I yield 5 minutes to the Senator from Michigan [Mr. FERGUSON].

Mr. FERGUSON. Mr. President, at the time when negotiations were being conducted with reference to the settlement of lend-lease and surplus property, as a member of the Mead committee I saw fit to criticize the settlement because I did not believe it to be a good settlement for the United States. But it was made by our Government, and therefore it represents a binding agreement.

Recently, I had occasion to travel through the Caribbean area and I saw the bases which we had acquired by virtue of the so-called destroyer deal. I have always believed that a mistake was made in negotiating that deal, in that we should have acquired for use in the future, even if for only 99 years, some air rights so far as commercial planes were concerned. However, I wish to say, Mr. President, that that deal was also one made by an Executive agreement. I believe that our country must recognize the sanctity of contracts, and that when we enter into a contract, even though it may not be in conformity with majority opinion, it is, nevertheless, a binding obligation of the United States.

I feel that the contract to which reference has been made is a binding agreement. I do not agree with it. I think we should have commercial air rights extending for a longer period of time than has been agreed to. But be that as it may, a contract has been made. We are now being asked that the contract shall be set aside and a new agreement entered into.

I am having trouble with the pending amendment because of this aspect which it presents: We are not to acquire rights in the bases in the Caribbean area which were acquired in return for the destroyers; we are not to acquire rights in the other British Empire bases for what we do in connection with the present agree-



ment; but we are to be bound by the following language:

Such agreements shall be negotiated with a view to bringing about an equitable adjustment of the indebtedness of Great Britain to the United States which arose in connection with the First World War.

And so forth. That language has nothing to do with the \$3,750,000,000 which it is proposed to loan to Great Britain, but it concerns only the First World War indebtedness of Great Britain to the United States.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. REVERCOMB. Granting that the position taken by the able Senator from Michigan is entirely sound, is it not a fact that parties to any contract may always mutually agree to reframe the contract? As I see the situation, the pending amendment would not compel our friends in the United Kingdom to make a change in the agreement. There could be no compulsion in connection with it. But may we not have the negotiators work toward the end of agreeing to reframe the contract?

Mr. FERGUSON. Mr. President, there is no doubt that two parties to a valid and executed contract may sit down and mutually agree to open the contract and insert new terms or conditions. But in the present instance we are not doing that. We say—

The PRESIDING OFFICER. Under the agreement, the Senator's time has expired.

Mr. BARKLEY. Mr. President, I yield one more minute to the Senator from Michigan.

Mr. FERGUSON. In that time I shall endeavor to complete my sentence.

The condition which the amendment would impose would require Great Britain to adjust the First World War debt. It has nothing to do with what she would do in the future under trade agreements, or under the negotiated agreement, but she would be required to adjust equitably the First World War debt.

For that reason as well as others, Mr. President, I shall be compelled to vote against the amendment.

Mr. McFARLAND. Mr. President, how much time have I left?

The PRESIDING OFFICER. Fifteen minutes.

Mr. McFARLAND. I yield 15 minutes to the Senator from Maryland [Mr. TYDINGS].

The PRESIDING OFFICER. The Senator from Maryland.

Mr. TYDINGS. Mr. President, during the 1930's on several occasions I advocated on this floor the cancellation of the war debts owed by France and Britain to the United States resulting from World War I. I did that not because the debts were not lawfully owing to us, but because it would be impossible for England and France to repay the debts without inflicting upon the world economy, and eventually our own, disadvantages greater than the temporary advantages which the payments would bring to us. I believed then, as I believe now, that war debts occasioned during the course of a war should have been canceled

when the war was over, for the very obvious reason that it was theoretically possible but practically impossible for such debts to have been repaid.

During the recent war, when the lend-lease bill was before this body, I humbly addressed myself to that measure and said that the title of the bill was a misnomer, that we should change the title, for the bill was neither a lending bill nor a leasing bill. It was by title a piece of subterfuge and bunkum, for the title caused our people to suppose that there was going to be in substantial measure a return for the billions of dollars of goods we were then giving our allies in the common struggle.

I voted for the lend-lease bill notwithstanding its misnomer. I now for the third time, with that brief background, would like to say something about the pending joint resolution. It is no more a loan measure than I am an Eskimo. The joint resolution itself proves that, because it is full of provisions that the debt and the interest shall not be paid unless certain things occur, and shall not be paid if other things do not occur.

As a matter of fact, Britain is less able to pay this proposed debt today than she was to pay the war debt after World War I, for the very obvious reason that with World War II the economy of the whole world—and particularly of Britain—has shifted. Whereas, before World War II, to take one instance, the tide of money was from India toward Britain in exchange for services and manufactured goods, since the war the tide of trade is to India from Britain, due to the industrialization of much of Asia, and to the fact that India has become a creditor and Britain a debtor to India in the interim.

Therefore, if we candidly view the factors which enter into the new world equation, what is proposed is, in the last analysis, a gift to the British Government, and so it will be found to be as the years unfold.

I do not mean to say that there will not be some payments made on this proposed loan; I do not mean to say that there will not be some interest paid on it. What I do mean to say is that if it goes through as it is now before the Senate, by and large the bulk of it will never be repaid to the American people because we cannot afford to exact payment, and if we do, we shall do to the cause of Britain more harm than the extending of this gratuity will mean in the way of assistance.

It would be a sad world without the British. With all their faults and shortcomings—and we have ours, too—I should not like to see a Europe without a Britain in it, without the voice of the Anglo-Saxon liberties and institutions always raised there to stabilize the disagreements and conflicts on the Continent. Therefore, it is in no spirit of antagonism that I speak of the British.

I think probably I was the first one to advocate on this floor the cancellation of World War I debts. They were as good as dead anyway, and had we canceled them, at least we would have gotten some credit for a generous act. I voted for lend-lease, and I have no regrets that we were able to extend to the British aid by way of billions of dollars

of goods and materials to save both British and American life, and to aid in the common cause dear to us all. This proposed British loan is cleverly designed, with the same word trappings of lend-lease and World War I debts. That design is to get this measure through. Any man who will take himself into the closet where he can be quiet with his conscience and his intellect, and think of the proposed loan for an hour, must reach the conclusion that the repayment of the loan will be extremely hazardous and doubtful.

Why, therefore, do I support the pending amendment? I support the amendment because in part, at least, it will give some degree of security, or quid pro quo, if you wish, for the good American dollars we are handing over to a country which I should like very much to aid if I could.

I shall take this opportunity to propose perfecting amendments to the pending amendment, which I ask to have voted on before the amendment itself is placed before the Senate for decision. On page 2, line 1, after the name "United States", I propose to add "for a fixed sum", and in line 5, on page 2, after the name "United States", I propose to add "for a fixed sum", so that in the event we secure these bases we will secure them for a fixed sum. We should not expect the British to give them to us simply because they are getting a loan from us. We should be willing to pay for them, and unless we do pay for them, we are in the position of holding a pistol to a man who is in need and saying, "Because you need money, I want you to give me something which I have always wanted." We should buy them if we are to get them at all, or we should not take them. It is not fair, in my judgment, unless we make a specific payment for them, to put the British or ourselves in such a position.

Mr. HATCH. Mr. President, will the Senator from Maryland yield?

Mr. TYDINGS. I should prefer not to yield, because I have only a few minutes. The time has been reduced by half already, and I am afraid I cannot develop my thoughts very well in the time I have left, much as I should like to yield.

Mr. President, I have likewise in mind that when the measure passes the Senate as amended by the pending proposal, it will go to the House of Representatives. If it were not to go any further than this body, I doubt if I could vote for it in its present form. I am going to vote for it partly on the supposition that when it gets to the House it may be further amended and improved, so that something tangible—may I say frank and forthright?—will finally come from both Houses, because, in my opinion, to call this a loan bill is not in any sense accurate.

I likewise am wondering whether we are wise in committing our Government to the policy of international loans in time of peace. It may be said that technically we are at war. Technically we are, but actually we are not at war. The surrender terms have been signed both in Germany and in Japan, our men are being brought home, our Army is being demobilized. Technically we may be at war,

hostilities may still be on, but in reality we are at peace.

I have tried to project my mind down the corridor of time, and I am wondering whether in making this initial step we are not beginning a loan policy which may come home to plague us 5, 10, 15, 25, or 100 years from now. I do not think that will be the only loan. The world is so sick and so sad that, if this loan is made, there will come knocking at the doors of the Congress nations from all over the world.

Already we are giving up our goods and substance to feed millions of people, giving through UNRRA, and in many other ways we are finding excuses for donating our surplus war goods. Now we are a rich country, we have enormous resources, we are a great people, but Mr. President, have we taken stock yet of the full costs of the war?

I remember the period of the 1920's, when prosperity came along, when the stock market boiled, when people were saying we were in a new, golden era, and "This is but the beginning of what our ancestors worked for, a sort of economic and financial heaven here on earth." I remember the long weary years of the depression which came. Then we were hard put to it to maintain our financial institutions, and revive and resuscitate the country. Is there a Member of this body who thinks those days are gone forever? Is there one here who thinks that nevermore will we have a depression equal to the one we had, or worse?

My own humble opinion is that after we have gone through the cycle of replacement, as we went through the cycle after World War I, and the market goes up, and everybody is buying and everybody is working, and credit runs out here and there, we will fall into another depression. It will not make any difference whether the Democrats are in control or the Republicans are in control; it will be human nature which will bring on the depression. It will be the kind of human nature, acquisitive human nature, if you please, that will overstep itself, and will plunge everyone into the abyss.

Our present debt is nearly \$300,000,000,000. We are not going to have a credit that is practically limitless, as we had before. So I think it would be well to take stock of the whole situation before we put our imprimatur on the joint resolution and send it over to the other body.

Mr. President, I think the pending amendment is a good one. I am assuming, of course, that those who would administer it would do so with some judicial approach. I am assuming that we would not merely grab everything because perhaps we could, but that we would be fair and tolerant, and work out something which would be beneficial to the British, to ourselves, and to the world. If we paid for the bases, at least we would have the satisfaction of knowing that we got something back definitely for the money of the American taxpayers.

If we are not to have this amendment in the joint resolution, if we are not to have anything like that in it, and knowing full well in advance that most of the loan is probably never to be repaid, I question whether I have the constitu-

tional right to stand here as a representative of the American people and tax them to extend a gratuity to another country which owes no sovereignty to our flag, and no obligations of citizenship.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Maryland to the amendment of the Senator from Arizona.

Mr. O'MAHONEY. Mr. President, before the Senator from Kentucky left the floor I indicated to him that I would like to speak for not to exceed 5 minutes upon this matter. As I have listened to the discussion which has taken place upon the pending amendment and upon the loan, I have been impressed with the thought that Senators are losing sight of the essential question, and are allowing their minds to become confused over details of a day that has gone by. I doubt if Members of the Senate will ever be called upon to cast a more important vote than that which is to be cast upon this amendment and upon this loan.

No one, Mr. President, can accuse me, I am sure, of being an Anglophile. I am not. But I perceive upon the horizon of world affairs the greatest crisis that humanity has confronted in a thousand years. We are facing now a decision whether or not in the years to come this world will be committed to the principles of individualism, of individual human freedom and opportunity, or whether it will be committed to a system under which the people will be dominated by either private or public monopoly. I think we tend to lose understanding of this issue by reason of the fact that the British Empire is controlled largely by those who do believe in a system of private monopoly.

But, on the other hand, Mr. President, there never has been a time to my knowledge when an issue of human rights has been presented to the people of Britain that their decision has not been upon the side of human rights.

If this loan is denied—I am willing even to call it a gift—if this loan is denied, Mr. President, it seems to me it will inevitably drive the British Government and the British people into the hands of either private or public monopoly. It will mean an invitation to totalitarianism upon the one hand or to the domination of our commercial life and therefore of our political life by a small group of private international monopolists who would seize economic control.

We are dealing here, Mr. President, not with a loan, not with a business deal. We are dealing here with the question of whether or not we are willing to expend \$3,750,000,000 for the purpose of creating an opportunity to build permanently individual peace and liberty and freedom in the world. I can see no other issue. If we attach to this loan an amendment such as that which is now before us on our desks providing that there shall be no payment made, no agreement signed, until some other agreement is made and signed, then Mr. President, we are postponing action upon this matter to the indefinite future. This loan is needed, Mr. President, and it is needed now to save individual liberty in

the world by enabling the British to recover from the devastating economic effects of the war.

The action of the present British Government yesterday in removing or ordering the removal of its troops from Egypt, and its action in other recent instances, clearly indicate to me that we now have in Britain, not the imperialistic government seeking to reestablish a system of colonial exploitation but a government which is trying to uphold the ideals upon which this country is founded, the ideals of human freedom which are the hope of the world. Britain may not be moving as rapidly toward this goal as we would like. It may not achieve that goal, but if we impose hampering and delaying conditions there will be no possibility of progress and we shall be left alone in the world as the champions of the ideals of popular government.

Mr. BARKLEY. Mr. President, how much time have I left?

The PRESIDING OFFICER. The Senator from Kentucky has 25 minutes.

Mr. BARKLEY. I yield 5 minutes of that time to the Senator from New Mexico [Mr. HATCH].

Mr. HATCH. Mr. President, I had not intended to speak at this time on this particular amendment, but as the arguments have been made I feel impelled to call attention to some of the things which the amendment does not do. The Senator from Maryland has just pointed out, and I use his language, that the loan is not "an honest loan"; that it is not an honest proposal. I ask if this is an honest amendment? Does this amendment have anything to do with the proposed loan? It does not. By its very terms it admits the need of Britain to have the money, because it would not reduce the amount of the loan 1 cent. It admits our obligation to make the loan, because it does not change the obligation by 1 cent. Under this amendment Great Britain will get the whole sum of \$3,750,000,000.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. HATCH. The Senator from Maryland refused to yield to me, and I cannot yield to him.

Mr. TYDINGS. I wanted to make the statement that there is a provision at the end of the amendment the effect of which is that the loan is reduced by anything paid for the bases.

Mr. HATCH. The loan is reduced by anything paid for the bases, yes, but primarily such payment would go toward canceling the First World War debt. That is the purpose of the provision. But the loan in its greater part will be made just the same; the debt will be increased just the same; the interest will be paid or not paid just the same, and the damage or injury to our economy will be just the same whether the amendment is adopted or not.

The only point I rose to make was this: Why adopt this amendment now on the main proposal? We are faced with an issue with respect to which there is an honest difference of opinion. Some Senators believe the loan should be made. Others believe it should not be made. Why not face that issue frankly, openly



and bravely, and either vote yea or nay on the main proposition? Why involve it with a side issue which will not change the material results at all? I certainly hope, for that reason, if for no other reason, that the amendment and all others of like kind will be defeated, and that the Senate may honestly express itself on the main proposal.

Mr. BARKLEY. Mr. President, I believe I have 20 minutes left.

The PRESIDING OFFICER. The Chair is advised that the Senator from Kentucky has 22 minutes remaining.

Mr. BARKLEY. Mr. President, I feel very deeply about this amendment. It may be that because circumstances have forced me to be in charge of this joint resolution approving the financial agreement between the United States and the United Kingdom, that I have worked myself up into the very deep conviction that what the Senate ought to do and what the Congress of the United States ought to do is to vote for or against the agreement as it has been negotiated.

Mr. President, this agreement was negotiated under the direction of the President of the United States, who served here for 10 years as our colleague, and who, I think, is as patriotic and as honest and as much interested in the welfare of this country as any of us who still remain here in the Senate.

It was negotiated through the agency of the Secretary of State, who served for many years in the House and in the Senate, who served on the Supreme Court of the United States, and in other capacities, and is now the Secretary of State. I am sure that no Member of the Senate will deny to Secretary Byrnes the quality of patriotism and devotion to his country. I am sure no Senator in this Chamber will assert that Secretary Byrnes is less interested in or less devoted to the welfare of the United States than is any one of us.

It was negotiated also through the agency of the Secretary of the Treasury, who served for many years in the House of Representatives, was appointed to a lifetime position of security on the bench, and who abandoned that lifetime security in order that he might perform even greater duties in the executive branch of our Government. I dare say that no Senator, and no Member of the other body, would say that Fred Vinson is less devoted and less patriotic than we are. Yet, Mr. President, we are asked, by the adoption of this amendment, to say to the country which we represent and to the world that the President of the United States, the Secretary of State, and the Secretary of the Treasury did not do this thing right; that they fell down in their obligation to their country because they did not include in this agreement some provision with respect to the bases which are the subject of controversy.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. BARKLEY. I am sorry that I cannot yield. I have only a few minutes. Otherwise, I should be delighted. I decline to yield.

Mr. President, I do not like the word "repudiation"; it always carries with it a connotation which to me is obnoxious;

but I do not see how the adoption of this amendment could have any other effect upon us and upon the world than to create the impression that we had repudiated the work of the President, his minister of state, and his minister of finance.

Mr. President, this is the 8th day of May. One year ago today Germany surrendered. Yonder in the city of Paris the Secretary of State, accompanied by two of our honored colleagues, the Senator from Texas [Mr. CONNALLY], chairman of the Committee on Foreign Relations, and the Senator from Michigan [Mr. VANDENBERG], are struggling against all sorts of forces, all sorts of reactions, and all sorts of selfish desires in order to try, 1 year after the surrender of Germany, to work out something which has the semblance of peace, in order that quietude and repose may come to the distressed peoples of the world. I am sure that it would be music to their ears, as they sit around the council table, to be told that the Senate of the United States had adopted an amendment requiring the renegotiation of the agreement which we are considering, an amendment which would require the postponement of any further proceedings beyond the present fiscal or calendar year, the result of which might be the collapse of the Bretton Woods agreements and the collapse of the negotiations now in progress in Paris to try to bring peace in Europe a year after the end of the war.

Without regard to politics or geography, without regard to the effect which it may have upon the political fortunes of Senators, I ask them in all sincerity, Are they willing to take the chance involved in sending to Paris this day a message such as will be carried if this amendment is adopted? I am not willing to do it. Regardless of any sophistry which may be indulged in here, the adoption of this amendment would, in my judgment, sound the death knell of this British-American agreement.

Suppose the situation were reversed, and that we were asking for a loan from Great Britain or any other country. Thank God we are not in a position where we have to do it, but let us reverse the situation and suppose that we were asking for a loan. Suppose that we had agreed to the terms of the agreement which had been negotiated after laborious work, and that that agreement were now pending in the British Parliament, or some other parliamentary body. Suppose that an amendment were attached to the measure providing that not a dollar should be paid under the agreement until the Government of Great Britain, or such other government as might be involved, had negotiated an agreement with the United States by which we would surrender our territory, our bases in Alaska, Puerto Rico, Hawaii, the Philippine Islands, the Virgin Islands, or anywhere else on the face of the earth. Then suppose that such an agreement, with the amendment which I have described, should be brought back here for consideration. Not a Senator would vote to ratify such an agreement. Every Senator knows that to be so. Yet we are asked to adopt

an amendment which would send the agreement back to be renegotiated by those who negotiated it in the beginning. It would have to be returned to the Parliament of Great Britain to be passed upon again. Under those circumstances I do not believe that any self-respecting government could afford to agree to such a proposal. While I am not steeped in the intricacies and mysteries of British parliamentary law and procedure, I have a very deep conviction that any government which would agree to such a proposal at the end of a shotgun—as this proposal is—would fall within 48 hours.

Mr. President, a while ago I spoke of the Senator from Texas [Mr. CONNALLY] and the Senator from Michigan [Mr. VANDENBERG], who are now in Paris with the Secretary of State. Before he left, the Secretary of State, in a public statement, asked the Congress to approve this loan—not to nullify it, not to undermine it, not to create the impression that while we might vote for it, we desired to surround it with such restrictions, handicaps, and hurdles as ultimately to defeat it. Regardless of the intention of any Senator in voting for this amendment, I assert that in my judgment it would defeat this British-American agreement.

The Senator from Michigan made a speech in the Senate, one of the ablest he has ever made. We listened to it with enthusiasm. We were thrilled by his sincerity and his logic. He asked us to vote for this loan without amendment. I have the following message from the Senator from Texas, dated at Paris, May 2:

Among other things, I regard it as important, in view of the situation in Europe and the promotion of world peace, that the British loan should be granted. I therefore authorize you to arrange for me a pair in behalf of the loan.

The Senator from Texas is in Paris. He is now in the vortex of European controversies, assessing the moral, economic, and psychological effect of this loan upon the negotiations in which he is engaged.

So far as I am concerned, I am not willing to take a chance—and I hope the Senate is not willing to take the chance—of making any contribution to the necessity for our representatives in that conference in Paris returning home empty-handed, without any visible evidence of the settlement of the vital controversies with respect to the peace in Europe.

The world is growing impatient. In Europe the war has been over for a year. In Asia it has been over since last September. The men and women who have borne and will continue to bear the brunt of this war, those who have borne the taxes, drawn the water, and hewn the wood in all wars of the past, and will do so in all future wars, are growing impatient, after all the sacrifices and all the expenditure of treasure by the governments of all the nations, to know when peace is at last to settle upon the world, and whether they may rise from their stooped postures and look their fellow men in the face and hope that peace, repose, quietude, and cooperation among the nations may be the order of

the day, and that the world may organize for peace instead of for war.

The Senator from Arizona [Mr. McFARLAND] has stated that he intends to file in the RECORD a list of 90 bases. Eight of them are on the Atlantic coast. With respect to those, we obtained leases for military and naval purposes, in exchange for some old destroyers. The arrangement was made because of World War II, upon the verge of which we were then tottering. In my judgment if the leases had run only for the duration of the war, purely as a military and naval protection to our country in order that we might use them in our defense, there would have been no great outcry in this country because of the terms of the leases. But they were not entered into merely for the duration of the war. They were entered into for 99 years, and they now have 94 years to run until they expire. While it is true that they were entered into so that we might use the bases for military and naval purposes, the Government of the United States, through the State Department, has already, after long and tedious negotiations with the Government of the United Kingdom, entered into an agreement for their use for commercial aviation, without restriction and without discrimination, during the 99-year life of the leases. Yesterday, not because this vote was thought to be coming yesterday, not because it is coming today, but because the negotiations had reached such a point over a period of months that our Government and the British Government were able to make an announcement, it was announced that the two Governments had agreed upon the use of those bases on the Atlantic seaboard from Newfoundland to Trinidad for commercial aviation during the life of the leases. A British mission is now on its way here to write the agreement in terms which are to be signed by the two Governments.

What other bases are there? Mr. President, I think the Senate ought to understand that our Chiefs of Staff, both of the Army and of the Navy, have never yet decided which of the bases in the Atlantic they are going to need. They have reached no decision about that. Who knows whether 20 years from now they may be outmoded? Twenty years from now atomic energy may have made them obsolete. Twenty years from now they may be useless so far as any military or naval protection may be concerned. Yet we have a 99-year lease upon them. Surely within 99 years the world will have undergone such transformations in its methods of warfare and in its psychological approach that we shall know by the end of 99 years whether we need these bases or whether we do not need them.

But, so far as the bases in the Pacific are concerned, they have not even been named, because for military reasons it was not thought wise by the Army or the Navy to identify the bases we had fortified or built. Certainly in the Pacific our Army and Navy and our Chiefs of Staff, our Secretary of War, our Secretary of the Navy, and the President himself have not been able to determine as yet which of the bases we fortified and

built in the Pacific we need to hold permanently. Yet, Mr. President, the amendment we are now considering proposes that not a dollar of this \$3,750,000,000 shall be expended until the President of the United States has negotiated and the Congress of the United States has ratified a treaty or an agreement for perpetual ownership of these bases on which we now have a 99-year lease.

Oh, Mr. President, it seems to me that this great body, of which I am proud, and of which we are all proud, ought not to sidestep this proposition. It ought not to sail under any illusory colors. If we do not want to ratify this agreement, we not only have the power to reject it, but it is our duty to reject it, whatever may be the consequences to us and to the world. But I do not desire, for myself or for my country, to take a position that will drive our ally into arms into which we do not want her to be folded. I do not want our Senate or our country or our philosophy or our Government to follow a course which will compel, in self-defense, the pursuit of a course which may be required by the very elements of self-preservation, in view of the chaos and confusion and cross-currents of power politics which we see all over the world today. I do not want our Nation to be a party to the so-called power-politics bloc.

Mr. President, if we do not wish to make this loan, if we wish to act in a way which may seem petulant, because we were not invited to sit in on the negotiations—as we might well have been; I have felt that it would have been the part of wisdom for the Secretary of the Treasury and the Secretary of State to have invited someone from the Senate and someone from the House of Representatives to sit in on the negotiations, but for reasons which I am sure appealed to them as sound, that was not done—shall we vote against the agreement which they laboriously worked out? Shall we vote against the agreement merely because none of us sat in at the negotiations and looked over the shoulders of the negotiators, while the agreement was being drawn up?

I do not believe this great Senate will reject this agreement which holds so much for the economic and political welfare of our own country and, then, of the world because we did not participate in the actual writing of the terms and of the bond.

The PRESIDENT pro tempore. The time of the Senator from Kentucky has expired.

Mr. BARKLEY. Mr. President, I hope with all my heart that this amendment will be rejected.

Mr. McFARLAND. Mr. President, I have only 3 minutes in which to answer what has been said.

First, I wish to ask that the perfecting amendments offered by the Senator from Maryland be adopted as a part of my own amendment, and that the entire amendment be read at the conclusion of my remarks.

The PRESIDENT pro tempore. Does the Senator from Arizona desire to modify his amendment in that way?

Mr. McFARLAND. I do.

The PRESIDENT pro tempore. The Senator has a right to modify his amendment.

Mr. McFARLAND. I modify my amendment accordingly, and also with the modification which I have heretofore sent to the desk, all of which I ask to have read at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, that will be done.

Mr. McFARLAND. Mr. President, much has been said about the the military use of these bases. I am not nearly so much interested in the military use of these bases as I am in their proper peacetime use. I have no fear that if another war ever comes, Great Britain will not give us the use of any bases which we might want. Oh, Mr. President, in that case, she would come to us and beg us to use those bases. There is no question in this amendment about the military use of these bases.

The question here is the peacetime use of the bases. The question has been asked in the Senate: Is this an honest amendment? Mr. President, I say that if we consider the collecting of an honest debt an honest matter, the amendment is an honest amendment. There is no question about that. If it is honest to collect an honest debt, then the amendment is an honest amendment.

So, Mr. President, the whole question before the Senate is: Is it right and just for us to ask for the use of these bases? If we take the words of Secretary Wallace, the words of Mr. Vinson, and the words of the other witnesses who testified before the committee, it is right for the United States to have permanent rights in these bases and it is right for us to ask for them. Some do not want it made a part of this loan; but, Mr. President, as I have said, if it is right, we should not hesitate to ask someone who wants to borrow our money to give us things that it is right for us to ask for. That is the question before the Senate this afternoon: Is it right for us to ask for what is right? That is all there is to the whole proposition.

Mr. President, what are these bases? Ah, Mr. President, they are bases in the far-flung Pacific which our boys fought to regain for the British, and upon which we have spent hundreds of millions, even billions, of dollars, and upon which the remains of many of our boys rest. They are bases on islands which would have been useless if it had not been for the untold millions of dollars which the United States spent there.

Is it right for us to claim the peacetime use of those bases? That is the question which we are called upon to determine here this afternoon.

Mr. President, I contend that it is right for us to ask for those bases.

The PRESIDENT pro tempore. The hour of 2 o'clock and 45 minutes having arrived, further debate—under the unanimous-consent agreement—is precluded.

The question is on agreeing to the amendment of the Senator from Maryland [Mr. TYDINGS] to the amendment of the Senator from Arizona, inserting on page 2, after the words "United



States", in lines 1 and 5, the words "for a fixed sum."

Mr. McFARLAND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McFARLAND. I stated to the Chair that I accepted those amendments as modifications of my own amendment. Did not the Chair state that I had a right to do so?

The PRESIDENT pro tempore. That is correct; and the amendment offered by the Senator from Arizona will be modified accordingly.

The question now is on the amendment of the Senator from Arizona, as modified.

Mr. McFARLAND. Mr. President, a further parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McFARLAND. May the amendment, as modified, be read?

The PRESIDENT pro tempore. The clerk will read the amendment as modified, as it will be before the Senate when voted upon.

The CHIEF CLERK. On page 3, after line 16, it is proposed to insert the following new section:

SEC. 3. The foregoing provision shall not become effective and no payments shall be made pursuant to the agreement until the President shall have negotiated agreements with the United Kingdom and any commonwealth or dominion government whose concurrence may be necessary, and the Congress shall have by law approved such agreements, covering the following matters:

(1) Permanent acquisition by the United States for a fixed sum of rights to military, air, and naval bases held under 99-year leases, and elimination of provisions restricting use of such bases to military or naval purposes only; and

(2) Peacetime commercial use by the United States for a fixed sum of such other bases built by the United States in the British Empire or in areas controlled by Great Britain as may be agreed upon.

Such agreements shall be negotiated with a view to bringing about an equitable adjustment of the indebtedness of Great Britain to the United States which arose in connection with the First World War, and the value (to be fixed in the agreements) of the property and rights obtained by the United States under such agreements shall be credited on such indebtedness.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona, as modified.

Mr. BARKLEY. On this question, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HOEY (when Mr. BAILEY's name was called). Mr. President, the senior Senator from North Carolina [Mr. BAILEY] is detained because of illness. If he were present he would vote "nay."

The roll call was concluded.

Mr. HATCH. My colleague the Senator from New Mexico [Mr. CHAVEZ] is unavoidably detained from the Senate on important public business. If he were present he would vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Idaho [Mr.

GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Montana [Mr. MURRAY] is detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He is paired on this question with the Senator from Louisiana [Mr. OVERTON]. If present the Senator from Texas would vote "nay" and the Senator from Louisiana would vote "yea."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. If present he would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The result was announced—yeas 40, nays 45, as follows:

#### YEAS—40

Bankhead	Huffman	Robertson
Brewster	Johnson, Colo.	Russell
Brooks	Johnston, S. C.	Shipstead
Buck	Kilgore	Stewart
Bushfield	La Follette	Taft
Butler	Langer	Tydings
Byrd	McCarran	Walsh
Capehart	McClellan	Wheeler
Capper	McFarland	Wherry
Carville	Magnuson	Willis
Cordon	Millikin	Wilson
Ellender	Moore	Young
Green	O'Daniel	
Hawkes	Revercomb	

#### NAYS—45

Aiken	Hatch	O'Mahoney
Austin	Hayden	Pepper
Ball	Hickenlooper	Radcliffe
Barkley	Hill	Reed
Briggs	Hoey	Saltonstall
Donnell	Knowland	Smith
Downey	Lucas	Stanfill
Eastland	McKellar	Taylor
Ferguson	McMahon	Thomas, Okla.
Fulbright	Maybank	Thomas, Utah
George	Mead	Tobey
Gerry	Mitchell	Tunnell
Guffey	Morse	Wagner
Gurney	Murdock	White
Hart	Myers	Wiley

#### NOT VOTING—11

Andrews	Chavez	Murray
Bailey	Connally	Overtton
Bilbo	Glass	Vandenberg
Bridges	Gossett	

So Mr. McFARLAND's amendment, as modified, was rejected.

(Manifestations of applause in the galleries.)

#### EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

#### SUPPLEMENTAL ESTIMATES, DEPARTMENT OF STATE (S. DOC. NO. 180)

A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of State, amounting to \$7,002,523, fiscal year 1947, in the form of an amendment to the Budget for that fiscal year, and an amendment to House Document No. 454 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

#### DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Gov-

ernment which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

#### THE COAL STRIKE

Mr. CAPPER. Mr. President, I have received a telegram from Lloyd A. Wilson, general manager, Wichita Chamber of Commerce, Wichita, Kans., urging prompt action by our Government with a view to bringing about immediate settlement of the coal strike. I ask unanimous consent to present the telegram for appropriate reference and printing in the RECORD.

There being no objection, the telegram was received, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

WICHITA, KANS., May 7, 1946.

HON. ARTHUR CAPPER,  
Member, United States Senate,  
Senate Office Building,  
Washington, D. C.:

We are sending the following message by wire to President Truman:

"We most respectfully urge that the full powers of the Government be directed immediately to the settlement of the coal strike because of the serious harm which its continuance would inflict upon our entire national economy, and also upon our relief efforts in the war-torn countries. We earnestly believe the public welfare demands prompt and courageous action on your part, not only with reference to this particular dispute, but toward prompt removal of all barriers now hindering the Nation from attaining the high goals in business, industry, and employment that can be reached if the people are unshackled in true American fashion."

We respectfully urge that you insist upon prompt action by the Government and that you take such action as may be possible through the Congress which would correct the existing situation.

LLOYD A. WILSON,

General Manager, Wichita Chamber of Commerce.

#### EXTENSION OF DRAFT—UNIVERSAL MILITARY TRAINING—MEMORIAL

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD, without all the signatures attached, a memorial signed by 42 citizens of Wichita, Kans., remonstrating against the enactment of legislation to extend the draft or to establish universal military training.

There being no objection, the memorial was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, without all the signatures attached, as follows:

To the Honorable Senator REED, Senator CAPPER, and Congressman EDWARD H. REES:

Whereas large numbers of men are no longer necessary in modern warfare, whereas the education of these young men is abruptly and needlessly interrupted, whereas General Eisenhower says we should have civilian instead of military occupation, whereas the United Nations cannot operate

efficiently with large standing armies in various countries, whereas taxes will be greatly increased by supporting large bodies of troops.

Therefore, we the undersigned citizens of Wichita, Kans., do request that you use your power that we have bestowed upon you to defeat the extension of the draft or the establishment of any type of conscription.

JOHNNY W. FIELD,  
RALPH D. SHOWALTER,  
BILLIE B. CLINK

(And other citizens of Wichita, Kans.).

#### FARM-PARITY PRICES

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the Morning Grange in Johnson County, Kans., in which they favor a new farm parity price that will include costs of labor.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

"Whereas it is a known fact agriculture produces the raw materials and in some instances the finished product for two of the three essentials of mankind, food, and clothing, not only for our own country, but also for those abroad, more urgent now than ever before; and

"Whereas we feel the increase granted to manufacturers and labor puts us to a disadvantage as we are the consumers of many of the products; and

"Whereas in accordance with such increases, machinery and labor are increasingly high in comparison to OPA ceilings on farm products: Therefore be it

"Resolved, We favor including labor costs in establishing a new farm parity to be used in regulation of farm prices."

Resolution adopted by Morning Grange in Johnson County, Kans., and recommended by Johnson County Pomona Grange representing 1,100 members.

CLAYTON WISEWELL,  
Secretary.

#### RESOLUTIONS OF ATOMIC ENERGY CONFERENCE, OTTAWA, KANS.

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD resolutions adopted by the Atomic Energy Conference at Ottawa, Kans., on April 14, 1946.

There being no objection, the resolutions were received, referred to the Special Committee on Atomic Energy, and ordered to be printed in the RECORD, as follows:

Whereas civilization is in imminent danger of annihilation under the threat of atomic warfare;

Whereas the same basic force that contains the germ of total destruction, viz, atomic energy, may, if properly controlled, be transmitted into highly beneficial channels;

Whereas international solidarity is a necessity if civilization is to survive;

Whereas a free and general dissemination of information and sharing of benefits are necessary for world solidarity; and

Whereas the United States, as instigator of atomic warfare, is morally responsible to the world to act as leader in the control of atomic energy for peaceful purposes and for the sharing of information and facilities pertaining thereto: Therefore be it

Resolved:

1. We reaffirm our faith in spiritual and moral forces as underlying all human prog-

ress and essential to any fundamental solution to the world's problems.

2. That we urge the adoption of the Acheson report as outlining the most practical method looking toward control of atomic energy on an international basis.

3. That we favor the passage of the original McMahon bill, without the Vandenberg amendment, as a control of atomic energy on a domestic basis.

4. That we oppose the passage of the May-Johnson bill.

5. That we deplore the atomic-bomb tests scheduled for this summer as an unnecessary waste and as contributing to suspicion and ill will because of the danger that the experiment will be interpreted as a show of force and a display of national arrogance.

6. Be it further resolved, That copies of these resolutions be sent to leaders in Congress and others in a position to formulate policies of national and international affairs.

OTTAWA KIWANIS CLUB,  
OTTAWA LIONS CLUB,  
OTTAWA ROTARY CLUB,  
OTTAWA MINISTERIAL ALLIANCE,  
OTTAWA PUBLIC SCHOOLS,  
OTTAWA UNIVERSITY,

Conference Sponsors.

#### TERMINAL PAY LEAVE FOR MEMBERS OF ARMED FORCES

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by members of the Lowry-Funston Post, No. 1980, Veterans of Foreign Wars of the United States, Emporia, Kans., favoring the policy of terminal-leave pay being granted to members of the armed forces.

There being no objection, the resolution was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Whereas Congress in its wisdom has seen fit to grant terminal-leave pay to commissioned officers of World War II; and

Whereas to date no provision has been made for like consideration for enlisted men of World War II: Therefore be it

Resolved, That the membership of Lowry-Funston Post, No. 1980, Veterans of Foreign Wars, here and now humbly petition the President and the Congress of the United States of America for like and similar treatment for the enlisted men; and be it further

Resolved, That since many of our comrades of the Spanish-American War and of World War I have sons who are now, or have been, participants in World War II, part of them from the same families serving as commissioned officers and another part serving as enlisted men, and to prevent family strife on the return of these boys from the same family; be it further

Resolved, That the members of Lowry-Funston Post, No. 1980, ask the President and the Members of the Congress of the United States to see to it that all members of the same family are treated as equals before the law and that terminal-leave pay be granted to the enlisted men as a matter of equity and fairness to all our people and to preserve peaceful family relations in the homes of returning veterans.

Resolved, That a copy of these resolutions be spread upon the minutes of the meeting and that a copy be sent to the President of the United States, and copies sent to Senators ARTHUR CAPPER and CLYDE REED and Representative ED REES of the Kansas delegation.

CLYDE DUNCAN,  
Commander.  
JOHN W. ARNDT,  
Quartermaster.

#### FAILURE OF PRICE-CONTROL PROGRAM

Mr. BUTLER. Mr. President, I present for inclusion in the CONGRESSIONAL RECORD a telegram, in the form of a resolution, received today from the Fairbury (Nebr.) Chamber of Commerce, with reference to the utter failure of the price-control program.

There being no objection, the telegram was received and ordered to be printed in the RECORD, as follows:

FAIRBURY, NEBR., May 8, 1946.

The closing down of our local flour-milling industry has brought to our attention the utter failure of the price-control program in the grain and milling industry to accomplish the purpose for which it is set up, namely, to speed up the movement of grain products, particularly wheat flour. Be it resolved that whereas the flour-milling industry of this country has milled and is equipped to mill vast quantities of wheat grown in this country for quick shipment to the starving people of Europe, and whereas many mills are now idle because they are unable to secure wheat thereby causing much unemployment in the milling and grain industries and whereas idle mills do not produce food for anyone, thereby increasing and aggravating an ever-increasing food shortage instead of helping it. Now therefore we recommend and urge that every effort be made on your part and by your office to get some action to either do away entirely with price controls and unworkable regulations or provide a plan and program that will enable the American milling industry to operate and have a part in processing our own grains grown in our own country and producing food for ourselves and the needy abroad thereby helping our own industry, giving employment to American labor, and feeding the people of the world.

THE FAIRBURY CHAMBER OF COMMERCE.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Claims:

S. 1051. A bill for the relief of William J. Simpson; with amendments (Rept. No. 1307);

H. R. 2192. A bill for the relief of Andre Dacharry; with an amendment (Rept. No. 1308);

H. R. 2579. A bill for the relief of John G. Johnson; without amendment (Rept. No. 1309);

H. R. 4915. A bill for the relief of Irving W. Learned; without amendment (Rept. No. 1310); and

H. R. 5525. A bill for the relief of Sylvia Wagner; without amendment (Rept. No. 1311).

By Mr. WILEY, from the Committee on Claims:

H. R. 2337. A bill for the relief of H. H. Hood; without amendment (Rept. No. 1312);

H. R. 3726. A bill for the relief of Earl D. Massey, Marvin Marshall, and Fred C. Mitchell; without amendment (Rept. No. 1313);

H. R. 4016. A bill for the relief of Dorothy Morgan; without amendment (Rept. No. 1314);

H. R. 4416. A bill for the relief of George H. Buxton, Jr.; without amendment (Rept. No. 1315); and

H. R. 4905. A bill for the relief of Nina E. Schmidt; without amendment (Rept. No. 1316).

By Mr. FULBRIGHT, from the Committee on Education and Labor.

S. 178. A bill to amend section 40 of the United States Employees' Compensation Act, as amended; with amendments (Rept. No. 1317).



By Mr. O'MAHONEY, from the Committee on Indian Affairs:

H. R. 4386. A bill to facilitate and simplify the administration of Indian affairs; with amendments (Rept. No. 1318); and

H. R. 4567. A bill to amend the act entitled "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians, or any tribe, or band thereof, may have against the United States, and for other purposes," approved June 28, 1938; without amendment (Rept. No. 1319).

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUTLER:

S. 2161. A bill to provide for the payment of a bonus of 30 cents per bushel on wheat and corn of the 1945 crop produced and sold before April 19, 1946; to the Committee on Agriculture and Forestry.

By Mr. THOMAS of Utah:

S. 2162. A bill for the relief of Claris U. Yeadon; to the Committee on Immigration.

By Mr. BYRD:

S. 2163. A bill to provide additional facilities for the mediation of labor disputes, and for other purposes; to the Committee on the Judiciary.

By Mr. MEAD:

S. 2164. A bill for the relief of George McMullen (with an accompanying paper); to the Committee on Claims.

#### MEDIATION OF LABOR DISPUTES—AMENDMENT

Mr. BYRD submitted an amendment intended to be proposed by him to the bill (H. R. 4908) to provide additional facilities for the mediation of labor disputes, and for other purposes, which was ordered to lie on the table and to be printed.

#### DEVELOPMENT AND CONTROL OF ATOMIC ENERGY—AMENDMENTS

Mr. McMAHON, on behalf of the Special Committee on Atomic Energy, submitted amendments intended to be proposed to the bill (S. 1717) for the development and control of atomic energy, which were ordered to lie on the table and to be printed.

#### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 3010. An act for the relief of Mrs. Marie Edens Nast, Mrs. Bessie Amann, and George R. Townsend;

H. R. 3967. An act for the relief of Ahto Walter, Lucy Walter, and the legal guardian of Teddy Walter, a minor;

H. R. 4122. An act for the relief of Guy B. Slater and Grace M. Collins;

H. R. 4142. An act for the relief of Johnnie V. Nations;

H. R. 4172. An act for the relief of Carlton G. Jerry;

H. R. 4298. An act for the relief of Severo Apoluna Dinson and Candilaria Dinson, and the legal guardian of Laura Dinson and the legal guardian of Teresita Dinson;

H. R. 4301. An act for the relief of Philip Naope Kalli and Susie Kalli;

H. R. 4338. An act for the relief of Anna Blanchard and others;

H. R. 4527. An act for the relief of O. T. Nelson, and wife, Clara Nelson;

H. R. 4763. An act for the relief of R. L. Benton;

H. R. 5152. An act for the relief of J. F. Powers;

H. R. 5212. An act for the relief of the dependents of Cecil M. Foxworth, deceased; and

H. R. 6110. An act for the relief of the estate of Marion S. Griggs, deceased; to the Committee on Claims.

H. R. 4046. An act authorizing the issuance of a patent in fee to Richard S. Fisher; to the Committee on Indian Affairs.

H. R. 6097. An act to amend the act of March 10, 1934, entitled "An act to promote the conservation of wildlife, fish, and game, and for other purposes"; to the Committee on Agriculture and Forestry.

#### EDUCATION FOR WORLD PEACE—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address on the subject Education for World Peace, delivered by him at the University of California, Berkeley, Calif., on May 3, 1946, at the Institute of Labor Education and World Peace, which appears in the Appendix.]

#### FOOD FOR THE CHILDREN OF EUROPE AND THE FAR EAST—STATEMENT BY ADMINISTRATIVE BOARD OF NATIONAL CATHOLIC WELFARE CONFERENCE

[Mr. MEAD asked and obtained leave to have printed in the RECORD a statement dealing with a campaign for food for the children of Europe and the Far East during the week beginning on Mother's Day, May 12, 1946, issued by the administrative board of the National Catholic Welfare Conference, which appears in the Appendix.]

#### THE ISSUE OF OPA—EDITORIAL FROM LONG BEACH INDEPENDENT

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial entitled "The Issue of OPA," from the Long Beach, Calif., Independent of April 26, 1946, which appears in the Appendix.]

#### THE ALCATRAZ RIOT—EDITORIAL FROM THE WASHINGTON EVENING STAR

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "The Alcatraz Riot" published in the Washington Evening Star of May 4, 1946, which appears in the Appendix.]

#### NOTICE OF HEARING ON NOMINATION OF HARRY E. KALODNER TO BE JUDGE OF THE UNITED STATES CIRCUIT COURT OF APPEALS, THIRD CIRCUIT

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, May 15, 1946, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of Harry E. Kalodner, of Philadelphia, Pa., to be judge of the United States Circuit Court of Appeals for the Third Circuit—a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Wisconsin [Mr. WILEY].

#### NOTICE OF HEARING ON NOMINATION OF JOHN W. MURPHY TO BE UNITED STATES DISTRICT JUDGE, MIDDLE DISTRICT OF PENNSYLVANIA

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the

committee, I desire to give notice that a public hearing has been scheduled for Wednesday, May 15, 1946, at 10:30 a. m., in the Senate Judiciary Committee room, upon the nomination of John W. Murphy, of Pennsylvania, to be United States district judge for the middle district of Pennsylvania, vice Hon. Albert W. Johnson, resigned. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Wisconsin [Mr. WILEY].

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3936) to provide for the evacuation and repatriation of the remains of certain persons who died and are buried outside the continental limits of the United States and whose remains could not heretofore be returned to their homelands due to wartime shipping restrictions.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes; that the House receded from its disagreement to the amendments of the Senate Nos. 40 and 46 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate Nos. 9 and 62 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

#### PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. CAPPER. Mr. President, on April 19, the Wichita Beacon printed an able editorial in opposition to the British loan, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### THE PEOPLE VIEW PROPOSED LOAN TO BRITAIN AS OUTRIGHT GIFT

In the face of the most conclusive and overwhelming opposition from the American public, the Banking and Currency Committee of the United States Senate has given large majority approval to the proposed \$3,750,000,000 so-called loan to Great Britain.

The loan matter is not yet settled, although the vote in the Senate committee was 14 to 5 in favor of making the huge grant of the American taxpayers' money to the British. The vote can be taken to indicate the attitude of Washington officials regarding this

tremendously important public matter. The Senate and the House must act favorably on the loan before the United States Treasury can be ordered to pass out the money for the huge gift to the Britons.

The very large vote given in support of the grant by the committee is said to be an indication that the wishes of the American taxpayers will get no effective consideration when the loan proposal goes to the Senate and House.

As so often has been the case of late, the representatives of the people at Washington are indifferent to the constituents they were elected to represent. They have a deep lack of respect for the people back home who must make the sacrifices that provide money for the Government Treasury.

The inconsiderate attitude of the Congress toward the wishes of the people was clearly shown when the plans for the loan were made to include the excusing of the British from making an installment payment at any time when they found it impossible, or even inconvenient, to do so.

The people are convinced that the American Government has no expectation or hope that, if made, the loan will ever be repaid. The Government knows, or should know, that the British leaders have no intentions whatever of repayment.

There is the best of evidence that the proposed borrower of American millions of dollars lacks and will lack the ability to make payments to America, even if it were desired to do so. In many quarters it is said that the affair is one of intentional deception and essential dishonesty. The people easily see through the thin cloak of deception that is thrown about the proposition by calling what really will be a grant, a loan.

Already, this country is in debt to the staggering sum of \$300,000,000,000, as a result of the recent war and wholesale Government extravagance. Reckless Federal spending should not be followed by outright gifts of billions of dollars. It creates more of a burden than the patient and uncomplaining American taxpayer can bear.

If under its monumental debt, the United States still has money to give away, there are innumerable worthy causes at home to which it should be given—not to defaulting Great Britain.

The PRESIDENT pro tempore. The question recurs on the amendment of the Senator from Ohio [Mr. TAFT] in the nature of a substitute.

Mr. CAPEHART. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CAPEHART. What is the next order of business? What is the next amendment to be considered by the Senate?

The PRESIDENT pro tempore. The only pending amendment is the amendment in the nature of a substitute offered by the Senator from Ohio.

Mr. CAPEHART. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 3, it is proposed to strike out lines 7, 8, and 9, and through the word "purpose", in line 10, and in lieu thereof to insert the following: "\$1,500,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Notwithstanding

any other provision of this joint resolution or any provision of the agreement dated December 6, 1945, between the United States and the United Kingdom, there shall be advanced under said agreement only such sums by way of credit as shall be necessary to offset adverse trade balances of the United Kingdom with the United States for the years 1946, 1947, 1948, 1949, and 1950, not exceeding in the aggregate the sum of \$1,500,000,000."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Indiana.

Mr. CAPEHART. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BARKLEY. Mr. President, I was interfered with at my desk. If I understand correctly the amendment offered by the Senator from Indiana, it would reduce the amount in the agreement itself from \$3,750,000,000 to \$1,500,000,000.

Mr. CAPEHART. That is correct. In other words, the amount is reduced to a sum not in excess of \$1,500,000,000, to be used as may be necessary to offset trade balances in the trading of our country with Great Britain over the next 5 years.

Mr. BARKLEY. Mr. President, I do not wish to discuss the amendment. I hope it will be defeated.

Mr. JOHNSON of Colorado. Mr. President, I have been trying to get the floor and tried to get it even before the amendment of the Senator from Indiana was offered, in order to make a point of order. I make the point of order that the Senate has no power or authority to initiate a bill proposing to raise revenue, and that Senate Joint Resolution 138 is such a measure.

Mr. President, in support of the point I should like to read section 2 of the pending measure. I shall read the amended section 2, although the original section 2 was identical, so far as the purposes of my point of order are concerned.

Section 2 reads as follows:

For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed \$3,750,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended—

I call attention to the language "of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended"—

and the purposes for which securities may be issued under that act are extended to secure such purpose. Payments to the United Kingdom under this joint resolution and pursuant to the agreement and repayments thereof shall be treated as public-debt transactions of the United States. Payments of interest to the United States under the agreement shall be covered into the Treasury as miscellaneous receipts.

Mr. President, that section is relatively short so far as language is concerned, but if Senators will examine it carefully they will find that this provision is an authorization for an appropriation. That is the first thing it is. The second function of the provision is that it is an appropriation. Third, it

is a revenue bill, because it attempts to increase the revenues of the United States through a bond issue. Fourth, it is a debt limit extension, for the reason that it is an agreement with a foreign power, and of course if it is accepted by both governments, then the Congress of the United States in fixing the debt limit at a lower figure would be handicapped by this language.

However, my point of order lies only against one of these purposes, that is, that it is a bill to raise revenue. I base my point of order on section 7 of article I of the Constitution of the United States, which reads as follows:

All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills.

Mr. President, for a definition of "raising revenues," I turn to the old reliable Webster's New International Dictionary, and I find this definition of revenue:

Public income of whatever kind.

Of course, the word "raising" is so well understood, its meaning is so obvious to all, that it is not necessary to place in the Record a definition of that word. But "revenue," according to Webster's Dictionary, is "public income of whatever kind."

Mr. President, the provision I have read amounts to an appropriation out of the Treasury. It proposes to take money out of the Treasury. But before it takes money out of the Treasury, it puts money into the Treasury.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. HATCH. The Senator has been discussing the definition of "income." Is it his contention that anything which produces income is revenue?

Mr. JOHNSON of Colorado. According to Webster's Dictionary, that is true.

Mr. HATCH. Is that the Senator's contention, in support of his point of order?

Mr. JOHNSON of Colorado. "Public income of whatever kind" is revenue, according to Webster's Dictionary, and Webster's New International Dictionary is good enough authority for me. I cannot go beyond that in defining words, however much I might like to do so.

Mr. HATCH. I am merely inquiring in order to understand the Senator's position, because he refers to anything that produces income, and we know that "income" is a most comprehensive and broad term. For instance, would the Senator say that a bill for the sale of public lands, which undoubtedly would produce income, would be a bill raising revenue?

Mr. JOHNSON of Colorado. It might or might not be. I do not think the question is in point here.

Mr. HATCH. I asked the question in the light of the definition which the Senator gave. I am merely trying to determine what is meant by "revenue" in the Senator's mind.

Mr. JOHNSON of Colorado. I will ask the Senator to take a little time off, go out in the lobby, consult Webster's Diction-



ary, and see what the dictionary has to say to him.

Mr. HATCH. I have taken a little time off, Mr. President, and have some authorities as to what is revenue, some rather respectable authorities, which I shall be glad to submit to the Senator a little later.

Mr. JOHNSON of Colorado. I think the Senate will be glad to have whatever the Senator submits for the RECORD. I am sure the purpose of the Senator from New Mexico, and the purpose of the Senator from Colorado, is to get all the light we can on the questions involved, from whatever source we may get it, so as to make the record perfectly clear and obvious to everyone.

A moment ago I said something about a debt limit extension provision contained in the joint resolution. I am not competent, I admit, to discuss constitutional questions such as the one here involved. However, I should like to read into the RECORD at this point a statement by Mr. P. C. Spencer, who is assistant general counsel of the Sinclair Oil Corp. He wrote this opinion on January 25, 1946, with respect to a proposed treaty having to do with petroleum. In the opinion he states:

The proposed treaty, if ratified, will impose a duty upon Congress to enact legislation providing for regulation and control of the domestic petroleum industry, which is now the province of the States to do, and will supply complete authority for doing so.

In considering the agreement, too much emphasis cannot be laid upon the fundamental rule of law that a valid treaty, once formally adopted, becomes the supreme law of our land, coequal with the Federal Constitution, and that legislation enacted by Congress to carry out the terms and provisions of such a treaty will not only prevail over State constitutions and laws, but Congress may take complete jurisdiction over powers reserved to the States under the tenth amendment of the Federal Constitution.

Of course, I understand the pending measure is not a treaty in accordance with the provision of the Constitution that treaties must be ratified by a two-thirds vote of the Senate. Nevertheless, what we are considering is an agreement being made with another government, and of course such an agreement, once it be ratified by the respective legislatures of the two governments, becomes a very binding contract.

Mr. BARKLEY. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BARKLEY. A number of Senators have asked me whether it is contemplated that we might get a vote on the Senator's point of order this evening, it being the practice of the Senate that when a point of order is made against the constitutionality of a measure the Chair submits the question to the Senate instead of passing on it himself. I have no way of knowing how much debate there will be on the point of order, but it might run on for some time. Would the Senator from Colorado be willing to agree to have a vote at 1 o'clock tomorrow afternoon on the point of order?

Mr. JOHNSON of Colorado. Yes; I should be perfectly in agreement with that.

Mr. BARKLEY. It is obvious we cannot conclude the consideration of the pending joint resolution today; there are other amendments to be considered, and there probably will be some further discussion. I ask unanimous consent that at not later than 1 o'clock tomorrow the Senate proceed to vote on the point of order raised by the Senator from Colorado, without further debate.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

Mr. MORSE. Mr. President, reserving the right to object, I will say to the majority leader that although ordinarily I would object to such a unanimous-consent request, I am satisfied that it is perfectly clear that on this particular issue there is ample time for a full discussion of the merits of the matter between now and tomorrow at 1 o'clock. Therefore I shall not object.

Mr. BARKLEY. I appreciate the statement of the Senator from Oregon.

Mr. STEWART. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. STEWART. Reserving the right to object—and I shall not object—I should like to inquire whether there would be any other amendment or matter taken up during the course of the afternoon between now and 1 o'clock tomorrow. Of course, the motion of the Senator from Colorado is the pending business and would have to be set aside if anything else is to be considered.

Mr. BARKLEY. I presume that if the Senator from Indiana [Mr. CAPEHART], who offered an amendment on which the yeas and nays have been ordered, should ask for action on his amendment, and if the Senator from Colorado should be agreeable to a vote being taken on that amendment, we might dispose of it this afternoon. But it would have to be done, I imagine, by unanimous consent.

Mr. STEWART. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. STEWART. What is the pending question?

The PRESIDENT pro tempore. The pending question is the point of order raised by the Senator from Colorado.

Mr. STEWART. Does that supersede the amendment offered by the Senator from Indiana?

The PRESIDENT pro tempore. At this point the Chair will say that in cases where the question of constitutionality has been raised, the Presiding Officer, under the uniform practice of the Senate, does not pass upon the question, but submits it directly to the Senate for its determination.

The Chair, therefore, submits to the Senate the question: Shall the point of order be sustained?

The point of order has precedence over the amendment of the Senator from Indiana [Mr. CAPEHART].

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object,

I should like to have an understanding with the Senator from Kentucky as to the division of time tomorrow between the time we assemble, which I presume will be at 12 o'clock, and 1 o'clock, at which time the vote is to be taken. One reason why I am willing to have the vote put over until tomorrow is to accommodate the Senator from Michigan [Mr. FERGUSON], who has been making a study of this point, and, as I understand, is prepared to make an argument in opposition to my point of order. Even though he is opposing me I think his study and the record he will make should go into the CONGRESSIONAL RECORD on the point of order. But I want an even division of time on the matter.

Mr. BARKLEY. I will say to the Senator that I did not incorporate in my request any provision about the division of time, but I am willing to provide that on tomorrow, from the time of the assembling of the Senate until the vote is taken, the time shall be equally divided between the Senator from Colorado and me.

I should also like to suggest that tomorrow the Senate meet at 11 o'clock instead of 12. It can do so by adopting a motion to that effect, and I hope we can do so because that would give a little more time, in view of possible roll calls, for a discussion of the Senator's important point of order before the vote is taken.

Mr. JOHNSON of Colorado. But whatever the hour at which the Senate may meet, the time will be divided equally?

Mr. BARKLEY. Yes.

Mr. President, I modify my request to that extent, by incorporating in it the agreement that from the time of the assembling of the Senate tomorrow until the vote is taken the time be divided equally between those opposed and those in favor of the Senator's point of order, the time to be allotted by the Senator from Colorado and by me.

Mr. JOHNSON of Colorado. That would be satisfactory.

Mr. TYDINGS. Mr. President, will the Senator from Colorado yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. TYDINGS. Now that the time between now and 1 o'clock tomorrow is to be equally divided, is it the general understanding then that the vote will be taken beginning at 1 o'clock?

Mr. BARKLEY. Yes.

Mr. TYDINGS. The Senator used the expression, I believe, "not later than 1 o'clock." Some of us have already made engagements for the time between 11 and 12 o'clock.

Mr. BARKLEY. I think I can state to the Senator that the vote will be taken at 1 o'clock.

Mr. TYDINGS. With that understanding, very well.

Mr. JOHNSON of Colorado. Mr. President, I should like to ask the Senator from Kentucky a question which rises by reason of the suggestion made by the Senator from Maryland that the time from now on is to be divided equally. I did not understand that to be the request of the Senator from Kentucky. I

understood that the time tomorrow from the time the Senate convenes until we vote shall be divided equally.

Mr. BARKLEY. There is no division of time for the remainder of today's session. The division of time is to be made tomorrow.

Mr. JOHNSON of Colorado. If I should hold the floor all afternoon—

Mr. BARKLEY. If the Senator from Colorado should hold the floor all afternoon—

Mr. JOHNSON of Colorado. Which the Senator from Colorado will not do.

Mr. BARKLEY. It would be further justification for my suggestion that the Senate convene at 11 o'clock tomorrow instead of 12.

Mr. JOHNSON of Colorado. I assure the Senator that I shall not hold the floor all afternoon.

Mr. LANGER. Mr. President, will the Senator yield to me for a question?

Mr. JOHNSON of Colorado. I yield.

Mr. LANGER. As I understand, there is to be no vote taken on any matter between now and 1 o'clock tomorrow?

Mr. BARKLEY. I think the Senator from North Dakota can be assured of that.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. As I understand, the point of order has the right of way, and there will be no vote taken on any other matter until the point of order has been voted upon and is out of the way?

The PRESIDENT pro tempore. It is now the pending question.

Mr. WHERRY. Yes; and it cannot be put aside and a vote taken on any other matter?

The PRESIDENT pro tempore. The Senate can do anything by unanimous consent.

Mr. WHERRY. I appreciate that.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. EASTLAND. I give notice that on behalf of myself, the Senator from Arkansas [Mr. McCLELLAN], the Senator from Texas [Mr. O'DANIEL], and such other Senators as desire to join with us, that after 1 o'clock tomorrow we will move that the Senate proceed to the consideration of House bill 4908, which is the Senate Committee on Education and Labor's version of the Case bill.

Mr. President, I strongly favor the British loan, but something must be done to save this country from John L. Lewis, and we think the loan should be laid aside for a few days until we can pass adequate antistrike legislation.

Mr. BARKLEY. Mr. President, has the unanimous-consent agreement been entered into?

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

Mr. GUFFEY. I object.

Mr. BARKLEY. Mr. President, I understand there is no objection to my request. A Senator objected to what he thought was a unanimous-consent request made by the Senator from Mississippi. He made no unanimous-consent request. He simply served notice,

The PRESIDENT pro tempore. Will the Senator from Kentucky restate his request?

Mr. BARKLEY. I ask unanimous consent that the Senate vote at not later than 1 o'clock p. m. tomorrow on the point of order, and that from the convening of the Senate tomorrow until the vote comes the time shall be equally divided between those opposed and those in favor of the point of order, the time to be controlled by the Senator from Colorado and myself.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. WILEY. Mr. President—

Mr. JOHNSON of Colorado. Before I yield further I ask for the yeas and nays when the vote is taken on my pending point of order.

The yeas and nays were ordered.

ORDER FOR RECESS TO 11 O'CLOCK A. M.  
THURSDAY

Mr. BARKLEY. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today it stand in recess until 11 o'clock a. m. tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### THE COAL STRIKE CRISIS

Mr. WILEY. Mr. President, will the Senator now yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Wisconsin.

Mr. WILEY. I agree fully that the Senate must as quickly as possible pass and send over to the House—and let us do it before the House takes action—a bill with teeth in it, which will meet the demands of the American people in relation to the labor crisis.

All America—labor, management, and the public—is united as one against the outrageous crucifixion of the public interest by John L. Lewis.

All America knows that this issue, however, is not only John L. Lewis versus the public welfare but irresponsible labor leadership versus the public welfare. What John L. Lewis is doing today to our reconversion program, to our program of foreign relief, to the most essential activities of American life, other power-mad labor leaders did yesterday and can do tomorrow. Yes, another labor dictator such as Harry Bridges, joined with similar communistic bosses, actively allied with forces of international Communist agitation and provocation, can also cripple and lay the Nation prostrate.

All America is resolved that this national-strike paralysis shall never again come to pass, that there shall be no more internal Pearl Harbors. We have reached the parting of the ways with our easy-going policies of the past, with our national toleration of New Deal coddling of labor dictators. All America sees that the New Deal chickens have come home to roost and that America has suffered disastrously as a result. Congress' and the President's inaction have resulted in terrific damage to our economy. The President must act now to take over the mines.

We must also have a pro-American labor bill, a bill with guts in its vitals

and teeth in its jaws, not an antilabor bill, not a promanagement bill, but a propublic bill. It would be an anti-Fascist bill, yes; against the labor Fascists and racketeers who want to run the show in their own despotic way.

The principal provision of such a bill, as I have contended for months and years, would be for compulsory arbitration of disputes in all utilities and Nation-wide industries so as to prevent strikes. All such disputes must go to the courts for proper adjudication.

Other provisions would—

First, set up complete machinery for mediation and voluntary arbitration in all other disputes.

Second, make unions equally responsible with corporations before the law for any contract violations.

Third, provide for democratic union elections and publicized finances.

Fourth, outlaw the use of force and violence in connection with any labor dispute or threatened dispute.

Fifth, outlaw illegal uses of the boycott.

Sixth, prohibit unionization of foremen who are legitimately a part of management.

Seventh, outlaw jurisdictional disputes between unions.

Nothing short of such a comprehensive program will satisfy the people of America.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. EASTLAND. I tell the Senator from Wisconsin that the committee bill is milk and water, and that the Senate should certainly adopt adequate legislation, and do it as quickly as possible. By the 15th of this month 75 percent of the total freight service of the Nation will stop. And today caskets and embalming fluid have been embargoed, and we cannot properly bury the dead because of the coal strike.

Mr. WILEY. Mr. President, will the Senator again yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WILEY. I agree fully with the statement made by the distinguished Senator from Mississippi. I have on four different occasions stated explicitly my own position, and the position I have stated mirrors the expression of people of my own State, including laboring men, farmers, school teachers, businessmen, and others, who realize that something must be done in this country at least to give power to the Government to handle a situation which is fast becoming dangerous to our very economic and political existence.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Ohio.

Mr. TAFT. The only difference, as I understand it, between the Senator from Mississippi and the Senator from Wisconsin is as to the method of proceeding. Obviously, if we want to pass any labor legislation or consider the problem here, the quickest way is to take up the Case bill now pending on the calendar and discuss it. The minority members of the committee have offered some five amend-



ments, which appear in the minority views. If there are other amendments which deal with the particular situation created by the coal strike, they can be offered to that bill. I suggest that if any action be taken the method proposed by the Senator from Mississippi is the prompt way to take action, because the House has already acted on the bill, and the conference committee could settle the differences in very short order after the Senate had considered the matter.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WILEY. There is no difference between the Senator from Mississippi and myself. Yesterday I suggested the identical idea suggested by the Senator from Mississippi. So we have no difference on that subject. The only point is that we should consider the Case bill and add to it amendments with "guts" in them so that we may effectuate the purpose which all America demands that we accomplish.

Mr. BUSHFIELD. Mr. President, will the Senator from Colorado yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. BUSHFIELD. In answer to the remarks of the Senator from Wisconsin [Mr. WILEY], I simply wish to point out that I do not believe there is any coal strike in evidence at the present time. The coal miners' contract ran out and they did not go back to work. They did not strike.

Mr. WHERRY. Mr. President, will the Senator from Colorado yield to me?

Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. There was some confusion in the Senate Chamber when the distinguished Senator from Mississippi [Mr. EASTLAND] gave notice that as soon as he could obtain recognition after the vote on the point of order at 1 o'clock tomorrow he would move to take up the Case bill. I think Senators would like to know if that is a correct statement of the announcement made by the distinguished Senator from Mississippi.

Mr. McCLELLAN rose.

Mr. JOHNSON of Colorado. I yield to the Senator from Arkansas [Mr. McCLELLAN]. I do not see the Senator from Mississippi in the Chamber.

Mr. WHERRY. Can some Senator on the other side of the aisle tell us whether or not the distinguished Senator from Mississippi stated that he would move to take up the Case bill immediately after the vote on the point of order?

Mr. EASTLAND entered the Chamber.

Mr. McCLELLAN. The Senator from Mississippi is now present.

Mr. JOHNSON of Colorado. I yield to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, I have been absent from the Chamber for a few moments.

Mr. WHERRY. I should like to ask the distinguished Senator from Colorado to permit me to ask the distinguished Senator from Mississippi a question.

Mr. JOHNSON of Colorado. I yield.

Mr. WHERRY. There was considerable confusion in the Senate Chamber. Senators have asked what statement was made by the Senator from Mississippi. I understood the Senator from

Mississippi to say that immediately after the vote upon the point of order, or as soon thereafter as he could obtain recognition, he proposed to move to take up the Case bill.

Mr. EASTLAND. That is true. I intend to make such a motion on behalf of the Senator from Arkansas [Mr. McCLELLAN], the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. O'DANIEL], and myself, and as many other Senators as will join us. We should like to have the Senator from Nebraska join us.

Mr. WHERRY. I was not interested in the names of Senators on whose behalf the motion would be made. I wished to have Senators know that immediately after the vote on the point of order, the Senator from Mississippi proposed to make such a motion.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BARKLEY. If the Senator will permit this observation, I believe that in all likelihood the Senate will reach a final vote on the loan measure before it adjourns or recesses tomorrow night. There are only two or three other amendments. One of them, the amendment of the Senator from Indiana [Mr. CAPEHART] will require very little debate. While I appreciate the action of the Senator in notifying us in advance that he will make his motion, I do not see that anything can be accomplished by interposing such a motion at a time when it is very likely that we shall finish the pending business tomorrow before we recess or adjourn. In view of that situation, I hope the Senator will reconsider his announcement, or at least think it over during the night, and before the Senate reassembles tomorrow.

Mr. EASTLAND. I thank the Senator from Kentucky. I am strongly in favor of the British loan, and I intend to vote for the joint resolution. However, the strike situation challenges the life of this Nation. I believe that the loan should certainly go over for a day or two until we can enact antistrike legislation.

Mr. BARKLEY. If the Senator believes that we can dispose of the Case bill in a day or two, he is highly optimistic.

Mr. EASTLAND. We should consider it, however long it may take. Hospitals will be without heat, light, and power. Operating rooms will become unusable. If the coal strike is not stopped, the people of this country will become undernourished.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. KNOWLAND. In connection with the suggestion which has been made by the Senator from Mississippi, and in connection with the remarks of the distinguished majority leader, let me say that yesterday afternoon I served notice that if the strike had not been settled within 48 hours I would move to substitute the Case bill for the pending legislation. I gave that advance notice for the reason that I did not wish to jeopardize consideration of the pending measure, which I was very hopeful would be out of the

way within 48 hours. In addition, I was hopeful that perhaps, in recognition of the possibility of the Senate proceeding within 48 hours to consider this very vital legislation, the national administration and the representatives of organized labor and management might get together and settle this question in the intervening period.

#### PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDENT pro tempore. The question is, Shall the point of order raised by the Senator from Colorado [Mr. JOHNSON] be sustained?

Mr. JOHNSON of Colorado. Mr. President, inasmuch as we are to have some time tomorrow to discuss the point of order raised by me, I shall not complete my arguments on the point of order today. However, I wish to use this time to insert in the RECORD certain matters which pertain to the point of order.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a portion of a memorandum prepared by Mr. P. C. Spencer, assistant general counsel of the Sinclair Oil Corp., on the pending petroleum agreement between the United States and the United Kingdom. The particular portion which I am placing in the RECORD does not go to the point of order which I have made, but it seems to me that it does call attention to the serious question which is raised by section 2 of the pending measure, and it does affect the debt limit which may be later voted by the Congress.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

The revised Anglo-American petroleum agreement, a verbatim copy of which appears as an appendix to this memorandum, was executed in London on September 24, 1945, on behalf of the Government of the United States and the Government of the United Kingdom of Great Britain and Northern Ireland and was, on November 1, 1945, transmitted by President Truman to the United States Senate with a view to receiving the advice and consent of that body to its ratification as a treaty. It is in opposition to this proposed treaty that the following objections and arguments are directed.

1. The proposed treaty, if ratified, will impose a duty upon Congress to enact legislation providing for regulation and control of the domestic petroleum industry, which is now the province of the States, and will supply complete authority for doing so.
2. The proposed treaty appears to provide for a super world petroleum cartel.
3. Performance by the United States Government of its contractual obligations under the proposed treaty will definitely require implementation through legislation by Congress and actions by the executive department of an extraordinary and far-reaching character.
4. The proposed treaty is defective in any event because of ambiguity, indefiniteness, and uncertainty.
5. Intelligent action upon the proposed treaty would require awaiting the receipt and

consideration of the findings and recommendations of the Special Committee on National Petroleum Policy of the Senate.

1. THE PROPOSED TREATY, IF RATIFIED, WILL IMPOSE A DUTY UPON CONGRESS TO ENACT LEGISLATION PROVIDING FOR REGULATION AND CONTROL OF THE DOMESTIC PETROLEUM INDUSTRY, WHICH IS NOW THE PROVINCE OF THE STATES, AND WILL SUPPLY COMPLETE AUTHORITY FOR DOING SO

In considering the agreement, too much emphasis cannot be laid upon the fundamental rule of law that a valid treaty, once formally adopted, becomes the supreme law of our land, coequal with the Federal Constitution, and that legislation enacted by Congress to carry out the terms and provisions of such a treaty will not only prevail over State constitutions and laws, but Congress may take complete jurisdiction over powers reserved to the States under the tenth amendment of the Federal Constitution. In other words, treaties are a source of power authorizing Congress to pass valid laws which, in the absence of a treaty, would be void as an invasion of States' rights.

A classic example of how the rights of a State to regulate its own internal affairs may be superseded by a treaty is contained in the story of the Federal Government's present supremacy in the regulation of duck shooting.

Many years ago Congress enacted a law which sought to transfer control of local duck shooting to the Federal Government from State governments. Some of the States objected. They said that ducks that light and make their homes within the borders of the State belong to the State, and that the State has exclusive jurisdiction over the question as to when and how they may be shot. The United States courts agreed, holding that Congress had no authority to enact such a law; that it had transgressed upon a power reserved to the States; and that therefore the law was contrary to our Constitution (*United States v. Shauver*, 214 Fed. 154 (D. Ark. 1914), appeal dismissed, 248 U. S. 594 (1919); *United States v. McCullagh*, 221 Fed. 288 (D. Kans. 1915)). Ordinarily this would have ended the matter. But it did not. A way was found to realize the objective of Federal control of duck shooting.

In 1916, the United States and Great Britain (the same parties who have signed the proposed petroleum treaty) entered into another treaty providing, among other things, for the regulation of the killing of migratory birds. Thereafter Congress again enacted a law placing the control of duck shooting within the United States in the hands of a department of the Federal Government (secs. 703-711, title 16, U. S. C. A.). The State of Missouri commenced an action to test the validity of the Federal Statute, and, to make a long story short, the United States Supreme Court finally held that the statute was valid and that it did not violate our Constitution this time because it was enacted pursuant to a valid treaty which is the supreme law of our land (*Missouri v. Holland*, 252 U. S. 416 (1920)).

Although the treaty itself talked principally about the establishment of closed seasons on migratory birds, the law enacted by Congress authorized complete regulation thereof. Despite the objections of States' rights enthusiasts, the broad powers assumed by Congress were upheld by the courts (*Cochrane v. United States*, 92 F. (2d) 623 (C. C. A. 7th, 1937), certiorari denied, 302 U. S. 636 (1933)). Today we find the Federal Government regulating every minute phase of duck shooting. These comprehensive regulations specify the caliber of guns to be used, limit the amount of the bag, restrict the use of blinds and decoys, and even prescribe the rules under which plain ordinary corn may be used as a lure.

It need not be argued here whether Federal regulation of duck shooting is desirable or undesirable in the public welfare. The point is that the constitutional and sovereign rights of the several States to regulate and control the exploration for, and development of, petroleum can be superseded, forfeited, and lost forever by a treaty and Federal legislation enacted pursuant thereto.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. TAFT. Merely for the purpose of placing in the RECORD another statement bearing on the point raised by the Senator from Colorado, I should like to read a brief extract from the Senate Journal of the Sixty-fourth Congress. It is as follows:

On March 2, 1917, during the consideration, as in Committee of the Whole, of H. R. 20632, the naval appropriation bill for 1918, the Senate added an amendment authorizing a bond issue of \$150,000,000 to expedite naval construction.

On the same day the House returned the bill to the Senate, with a statement that the amendment providing for the issuance of bonds contravened the first clause of the seventh section of the first article of the Constitution, and was an infringement of the privileges of the House. (Senate Journal, 64th Cong., 2d sess., pp. 220, 221.)

The Senate reconsidered its vote on the passage of the bill, and the amendment was then reconsidered and rejected, and the bill again passed. So the Senate apparently acquiesced in the position of the House, that a provision for raising money by a bond issue was a revenue measure. That is the only direct authority or case that I happened to run across.

Mr. JOHNSON of Colorado. I thank the Senator for his contribution.

Mr. President, the CONGRESSIONAL RECORD of February 2, 1927, carries portions of a debate by former Senator Ashurst of Arizona in regard to a point of order which he made on a bill which was similar in every respect to the pending measure. In order to show that the two measures are similar, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter which I have written to the Senate legislative counsel, and his reply to me.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APRIL 22, 1946.

HON. STEPHEN E. RICE,  
Senate Legislative Counsel,  
Washington, D. C.

DEAR MR. RICE: I am calling your attention to a memorandum written by Frederic P. Lee, February 2, 1927, in re constitutionality of Senate origination of Boulder Canyon project bill.

I should like a memorandum now as to the similarity or absence of similarity in the issue in the above-mentioned bill to the revenue issue fundamental to Senate Joint Resolution 138, and to what extent Mr. Lee's memorandum in the opinion of the legislative counsel applies to the pending Senate resolution.

Sincerely,

EDWIN C. JOHNSON.

MEMORANDUM FOR SENATOR JOHNSON OF COLORADO

Reference is made to your letter of April 22, calling attention to a memorandum written by Frederic P. Lee, then legislative counsel of the Senate, appearing in the CONGRESSIONAL RECORD of February 2, 1927 (68th Cong., CONGRESSIONAL RECORD, pt. 3, p. 2762), relative to the constitutionality of Senate origination of the Boulder Canyon project bill (S. 3331, 69th Cong.). You inquire as to "the similarity or absence of similarity in the issue in the above-mentioned bill to the revenue issue fundamental to Senate Joint Resolution 138, and to what extent Mr. Lee's memorandum in the opinion of the legislative counsel applies to the pending Senate resolution."

The Boulder Canyon project bill authorized the Secretary of the Treasury, in order to make advances to the fund provided for in that bill, to exercise the authority granted by the various Liberty Bond Acts and the Victory Liberty Loan Act, as amended and supplemented, "to issue bonds, notes, and certificates of indebtedness to the United States." Section 2 of Senate Joint Resolution 138 authorizes the Secretary of the Treasury, for the purpose of carrying out the financial agreement dated December 6, 1945, between the United States and the United Kingdom, to use as a public-debt transaction proceeds of any securities issued under the Second Liberty Bond Act, as amended, and extends the purposes for which securities may be issued under that act to include the carrying out of the agreement of December 6, 1945.

Mr. Lee's memorandum was addressed to the question whether S. 3331, Sixty-ninth Congress, was a bill for raising revenue which, under the Constitution, is required to originate in the House of Representatives, because of the authority granted therein to the Secretary of the Treasury to issue bonds, the proceeds of which were to be used for the purpose of making payments authorized in the bill. It is apparent that this issue is also raised by the pending resolution (S. J. Res. 138), and accordingly it is my opinion that Mr. Lee's memorandum in principle applies equally to this resolution.

Respectfully,

S. E. RICE,  
Legislative Counsel.

APRIL 22, 1946.

Mr. JOHNSON of Colorado. At the time Mr. Ashurst made his point of order the legislative counsel prepared a rather long memorandum in regard to the constitutionality of Senate bill 3331. I may add that Senator Ashurst, of Arizona, apparently won his point of order, not by any declaration on the point of order itself, but it seems that the provision for a loan was withdrawn from the bill, and was not in the bill when it was finally enacted. So I presume, although the RECORD does not so state, that the Senator from Arizona won his point.

Senator Ashurst had this to say:

The Senator from California, Mr. Johnson, on April 23 last reported favorably from the Senate Committee on Irrigation the so-called Boulder Canyon Dam bill, Senate bill 3331.

Senator Ashurst then proceeded to describe the bill and read various sections of it into the RECORD. Continuing his discussion of the bill, he said:

In the committee I made the point of order that the committee had no power or authority to report a bill originating in the



Senate proposing to raise revenue, and I argued that section 2 of this bill contravenes section 7 of article I of the Constitution of the United States, which said section 7, so far as the same relates to this question, reads as follows:

"All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments, as on other bills."

After discussion, the Senate Committee on Irrigation and Reclamation reached the conclusion that it had no authority to determine the point of order, as the Senate had not called upon its committee for an opinion upon this question.

I now move to strike out that section of this bill—section 2—which, in my judgment, proposes to raise revenue by authorizing a bond issue or by authorizing the further issuance and sale of bonds under statutes heretofore enacted.

I assert that neither the Supreme Court of the United States nor the Treasury Department is the authority eligible to pass upon and decide the question of parliamentary practice and privilege.

The Constitution, in article I, section 1, says:

"Representatives and direct taxes shall be apportioned among the several States which may be included within this Union according to their respective numbers. \* \* \* The actual enumeration shall be made within 3 years after the first meeting of the Congress of the United States and within every subsequent term of 10 years."

The "enumeration" mentioned, which is the "decennial census," is expressly commanded in the Constitution. No time limit in stated terms is set upon apportionment, although Congress has always assumed that the framers of the Constitution intended a decennial reapportionment following the census; but no writ or process known to our Constitution or our law, no writ or process known to our Government or to our polity, could compel the House of Representatives to pass an apportionment bill.

The Supreme Court might, indeed, declare that a bill originating in the Senate proposing to issue and sell Government bonds was not "raising revenue," but no writ or process known to our system of government could compel the House of Representatives to receive, consider, or pass a bill sent to it by the Senate if the House declared that the bill was one for "raising revenue." Upon the question as to whether or not a particular bill "raises revenue," the House of Representatives is the judge and the final judge. What action the House would take upon this particular bill, were the Senate to send the same to the House, there can be no doubt.

I now refer to pages 4731 and 4737, volume 54, part 5, CONGRESSIONAL RECORD of the Sixty-fourth Congress, second session. On March 2, 1917, the Senate had under consideration the naval appropriation bill, sent to the Senate by the House, and whilst such bill was under consideration in the Senate, after some debate, the Senate added a provision, of which I shall read only the pertinent part:

"That the Secretary of the Treasury is hereby authorized to borrow on the credit of the United States from time to time such sums as may be necessary to meet expenditures directed by the President from the naval emergency fund and for expediting naval construction as provided in this act, not exceeding \$150,000,000, or to reimburse the Treasury for such expenditures, and to prepare and issue therefor bonds of the United States in such form and subject to such terms and conditions as the Secretary of the Treasury may prescribe."

The Senate thus adopted and agreed to that provision as an amendment to the naval appropriation bill, and when the bill with

such amendment reached the House again the House unanimously returned the bill to the Senate. Remember that this was on the 2d of March, 1917, just before the United States entered the World War and was therefore at a time when every moment was precious, when every motive was operative that could induce Members of Congress to make haste and to waive what some persons call peccadillos, or technicalities, the House resolutely stood by the Constitution and refused to surrender the prerogatives of the House. I read now from volume 54, part 5, page 4827, of the CONGRESSIONAL RECORD, Sixty-fourth Congress, second session, indicating the promptness and the unanimity of the House Members in rejecting this Senate amendment:

"Mr. FITZGERALD. Mr. Speaker, ever since the beginning of the Republic the House has asserted its prerogative under the Constitution to originate revenue bills. In my experience in the House upon several occasions the Senate has attempted to incorporate into various bills items providing for the raising of revenue either by taxation or by the issuance of bonds. The one great prerogative of the House of Representatives is the right to originate revenue bills, and however lowly this House has ever descended it has never yet yielded a single iota of that privilege. [Applause.] I hope, in this instance, the vote will be unanimous. It ought to be unanimous, Mr. Speaker, because this action has not been taken by the Senate without warning. Notice was given to those in charge of this bill today that this proposed amendment was an infringement of the prerogatives of the House; that it should not be incorporated in the bill; that if incorporated it should be eliminated; and that if it were incorporated in the bill the House would assert its prerogative and return the bill with such a message as is now proposed. In spite of that warning, and regardless of the constitutional provision, the Senate has sent this bill here in defiance of the warning given and in derogation of the rights of the House. There is nothing for us to do except to insist upon our constitutional prerogative and to follow the unbroken precedents of the Republic by sending this bill back to the Senate, so that they may eliminate the provision which infringes upon our privileges."

"The SPEAKER. The question is on agreeing to the resolution."

"The question was taken."

"The SPEAKER. The ayes have it. The vote is unanimous."

This is not only a late precedent, but is squarely in point as well.

Moreover, Mr. President, in January, 1925, whilst the Senate was considering a bill increasing postal salaries and raising post rates, the Senator from Virginia, Mr. Swanson, made a point of order against such portion of the bill as proposed to increase the postal rates, upon the ground that such a bill was "raising revenue," and that therefore the Senate was not the eligible body of Congress to originate such legislation. (See p. 2274 of vol. 66, pt. 3, 68th Cong., 2d sess.)

After discussion on this point the Senate, by 29 yeas to 50 nays, refused to sustain the point of order and thereby held that the Senate was an eligible authority to originate legislation increasing postal rates and that to increase postal rates was not "raising revenue." The bill was sent to the House of Representatives, and on February 3, 1925, the House of Representatives considered the bill, whereupon Mr. Green, of Iowa, made the following point of order, as shown at page 2941 of volume 66, part 3, Sixty-eighth Congress, second session:

"Mr. GREEN. Mr. Speaker, I rise to a question of the highest privilege, the privileges of the House, and offer a resolution which has been sent to the Clerk's desk."

"The SPEAKER. The gentleman from Iowa offers a resolution, which the Clerk will report."

"The Clerk read as follows:

"Resolved, That the bill S. 3674, in the opinion of the House, contravenes the first clause of the seventh section of the first article of the Constitution and is an infringement of the privileges of this House, and that the said bill be taken from the Speaker's table and be respectfully returned to the Senate with a message communicating this resolution."

Mr. President, the discussion in the House upon that point was exhaustive and learned. The various views upon this question were supported with vigor, and I invite Senators to read the RECORD of that day, to wit, February 3, 1925. The House of Representatives then and there by a vote of 225 yeas to 153 nays decided that to increase postal rates—that is to say, to increase the charges and rates to be paid for the transmission of mail matter—was "raising revenue," and the bill was returned to the Senate.

The House had the power and authority to make such decision; therefore, before the Senate considers a bill of such vast importance as this bill reported by the able Senator from California [Mr. Johnson] authorizing the issuance and sale of bonds in the sum of approximately \$125,000,000, or authorizing the sale of bonds under laws heretofore enacted, the Senate should seriously consider whether we have the constitutional power to originate such a bill. Surely, the Senate does not wish to issue a brutum fulmen—a harmless thunderbolt—by considering a bill which we are not constitutionally eligible to initiate. I say this now so that I shall not hereafter be charged in the Senate with having waived this point.

I clear this discussion of the underbrush and wish my philosophy of this question made manifest. Whoever discusses questions of law with the Senator from California [Mr. Johnson] will find himself hard put to answer the arguments he may make.

I am not so vain as to imagine that I may vanquish him easily or at all, unless I be clearly within the law and precedents. He argues that the Supreme Court of the United States apparently has said that the issuance and sale of bonds is not "raising revenue" and that also the Treasury Department apparently has said that the issuance and sale of bonds is not "raising revenue"; but I say again that neither the Supreme Court nor the Treasury Department is eligible to pass upon a parliamentary question of this sort. What is "raising revenue" is not so much a juridical question as it is a parliamentary or political question.

No writ known to our law or Constitution can compel the House of Representatives to accept a bill from the Senate if the House declares the same to be a bill for raising revenue.

The principle of our constitutional requirement that all bills for raising revenue shall originate in the House of Representatives is far older than our Federal Government. Such principle originated out of the struggles between the King and the Commons of medieval England. The statute of William and Mary, session 2, chapter II, was one of the first acts of the English Parliament specifically providing how public funds should be raised, and our forefathers did not ignore the principle when they adopted our Constitution in 1787.

During the days in England when the Crown attempted to exact ship money Hampden's share of the contribution was 1 pound sterling, which he refused to pay and was therefore summoned to show cause in the Court of Exchequer in the thirteenth year of Charles I.

The provision made by the ship-money law for the defense of the country by sea was

the grant to the King of tunnage and poundage and the service of the Cinque Ports. In addition to this provision, the right was assumed by the King of levying impositions, and the King disputed that the parliamentary supplies were the only legal supplies.

The judges, by a majority of 7 to 5, decided in favor of the King; some of the majority alleged the superiority of the King to the law, and the opinion of these may be found in the words of Berkeley: "the law is of itself an old and trusty servant of the King's; it is his instrument or means which he useth to govern his people by. I never read nor heard that 'lex' was 'rex,' but it is common and most true that 'rex' is 'lex,' for he is 'lex loquens,' a living, a speaking, an acting law."

The expression by the majority judges in that case that rex was lex helped to bring on the contest which finally resulted in civil liberty in England. On this subject of originating revenue bills the Senate is neither rex nor lex. The Constitution of the United States on this important subject of originating revenue is rex and lex, and the Constitution on this, as on all other subjects, is lex loquens, "a living, a speaking, an acting law."

Mr. President, Mr. Fitzgerald made a very important observation at that time. He called for a unanimous vote, and he got a unanimous vote.

The House of Representatives has always contended that it has the right to initiate revenue-raising measures, and the House of Representatives has always contended that the issuances of bonds and of Federal securities is, in fact, the raising of revenue. The point I wish to make tomorrow is that we can be very certain that the House of Representatives will insist upon its rights, and that, inasmuch as that is so, the Senate is merely wasting time today, and has been for 3 weeks in considering a measure which flies in the face of tradition and violates the rights and prerogatives of the House of Representatives.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an excerpt from a memorandum which was prepared by the legislative counsel of the United States Senate and is printed in the volume of the CONGRESSIONAL RECORD from which I have been reading.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

This memorandum does not attempt any comprehensive statement as to what bills are included in the phrase "bills for raising revenues." As said by the Supreme Court in *Twin City Bank v. Nebecker* (167 U. S. at p. 202), "what bills belong to that class is a question of such magnitude and importance that it is the part of wisdom not to attempt, by any general statement, to cover every possible phase of the subject."

The questions here considered are:

I. Is there any general rule that a bill authorizing a bond issue is a "bill for raising revenue" within the meaning of the Constitution?

II. If the answer to I is in the affirmative, are the bond-issue features so incidental to the primary purposes of the bill as to except the bill from the operation of the general rule?

III. IS THERE ANY GENERAL RULE THAT A BILL AUTHORIZING A BOND ISSUE IS A "BILL FOR RAISING REVENUE" WITHIN THE MEANING OF THE CONSTITUTION?

(1) Legislative precedents: Under the precedents in Congress the question must be

answered in the affirmative. In 1837 the Senate passed a bill authorizing the issue of 1-year Treasury certificates which was sent to the House. Upon motion made to consider it the objection was raised that it was a bill which could not originate in the Senate. The motion to consider was immediately withdrawn and the House passed its own bill which was accepted by the Senate. (5 CONGRESSIONAL GLOBE, 92.)

The only other debated precedent was in 1917, when the Senate added to the naval appropriation bill an amendment providing for the sale of \$150,000,000 of bonds by the Secretary of the Treasury. The House returned the bill with a message stating that the amendment providing for the bond issue contravened the Constitution and was an infringement upon the privileges of the House. (54 CONGRESSIONAL RECORD, 4731, 4828.) The Senate repassed the bill, omitting the provisions for the bond issue.

### III. POWER OF COURTS TO DETERMINE QUESTION

It should further be noted that the Supreme Court on several occasions has intimated a doubt as to whether there is judicial power, as to an act of Congress that has been duly passed, to inquire in which House it originated for the purpose of determining its validity. (*Rainey v. United States* (1914), 232 U. S. 310; *Flint v. Stone Tracy Co.* (1910), 220 U. S. 107; *Twin City Bank v. Nebecker* (1897), 167 U. S. 196.) In the last two cases the doubt expressed was as to whether the court could go behind the enrolled bill to the Journals of the two Houses in order to ascertain the origin of the act. Judge Hough, however, in a Federal district court case, ascertained from the marginal notes to the act as shown in the Statutes at Large that it had originated in the Senate, and inasmuch as a tax was imposed by the act, he held it unconstitutional. (*Hubbard v. Lowe* (1915), 226 Fed. 135.) If Judge Hough is right, then the present practice of enrolling bills, if Senate bill 3331 becomes law, the court could without reference to the Journals of Congress ascertain that the bill originated in the Senate.

Mr. SALTONSTALL. Mr. President, will the Senator yield at this time for a question, or does he prefer not to yield now?

Mr. JOHNSON of Colorado. I am glad to yield to the Senator.

Mr. SALTONSTALL. I should like to ask a question. The Senator has spoken about appropriation bills and about revenue-raising bills.

Mr. JOHNSON of Colorado. That is correct. In fact, I have spoken about all four phases of the matter.

Mr. SALTONSTALL. What are the others?

Mr. JOHNSON of Colorado. The first is that section 2 is an authorization bill.

Mr. SALTONSTALL. Yes.

Mr. JOHNSON of Colorado. Section 2 is all of four different things: First, it is an authorization bill; second, it is an appropriation bill; third, it is a revenue-raising bill; and, fourth, it is a bill which contravenes any debt limit which the Senate may fix.

Mr. SALTONSTALL. So far as the Constitution is concerned, the only question raised by the Constitution is as to the raising of revenue. Is not that correct?

Mr. JOHNSON of Colorado. That is the only question which is affected by my point of order. I merely call attention to all the things which section 2 does. I do so in order to show what a serious

thing we are doing when we adopt section 2.

Mr. SALTONSTALL. Then, so far as the appropriation portion of the argument is concerned, assuming that the Senate passes the pending measure and sends it to the House of Representatives, the House of Representatives can pass its own measure and can send it back to the Senate, and the Senate can concur in that measure or can request a conference. Is not that the case?

Mr. JOHNSON of Colorado. Yes. When we pass this measure, if we delete section 2, all of my objections will be removed, because then the measure can go to the House of Representatives and the House of Representatives, in its own constitutional, traditional manner, can write into it section 2 or whatever provision it wishes to write into it. The House of Representatives can then make it an appropriation measure, or the House of Representatives can make it a revenue-raising measure; and, of course, all the rights and prerogatives of the House of Representatives will be protected in that way.

But that is not what we are doing, let me say to the Senator from Massachusetts. The Senate, without authority and without power, is attempting to write into this measure a provision which is clearly a revenue-raising provision. I say that is a reckless thing to do, in view of the limited amount of time the Senate has to deal with the multitude of important problems which are facing it. I say it is reckless for the Senate to take chances on having all its work thrown back at it by the House of Representatives. I am almost certain that the House of Representatives will do that, because every time the House has voted on the matter, so far as I have been able to ascertain, it has always returned such a measure to the Senate.

Mr. SALTONSTALL. The determination of the question whether the measure is a revenue-raising one depends upon the construction of the words used in it; does it not?

Mr. JOHNSON of Colorado. Of course it depends upon the construction of the words used in it. It depends upon how the House of Representatives interprets those words.

Mr. SALTONSTALL. Then, it is necessary to interpret the meaning of the words "use as a public-debt transaction" and the words "are extended to include such purpose." In other words, I refer to the portions of section 2 which read as follows:

The Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed \$3,750,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose.

In short, the two verbs "use" and "are extended," in that portion of the section, must be construed or interpreted to mean the raising of revenue, in order to bring this measure within that provision of the Constitution. Is not that the case?

Mr. JOHNSON of Colorado. In order to bring it within that provision of the



Constitution, as I see it, we must understand that this measure provides for the sale of securities. My contention is that the issuance of securities is a revenue-raising procedure. That is the point.

Mr. SALTONSTALL. Does the joint resolution, by its terms, provide for the issuance of bonds?

Mr. JOHNSON of Colorado. I shall read the language, for it clearly states that it does. It is as follows:

SEC. 2. For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed—

Mr. SALTONSTALL. I ask the Senator to stop at that point. Does the Senator consider the words "to use as a public-debt transaction" to be money-raising words?

Mr. JOHNSON of Colorado. We must read the entire sentence. We cannot stop there, although I wish we could. We must read the entire sentence, and I do so now:

SEC. 2. For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed \$3,750,000,000—

There is the debt limit about which Senators have been talking—

of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose.

The Senator must know that unless that language is included, the Treasury Department would not be authorized to make payments under the agreement.

Mr. SALTONSTALL. It could not make any payments under the agreement unless the purposes for which the Second Liberty Bond Act was enacted were extended to include the purpose to which reference has been made. Is not that the principal purpose of this section?

Mr. JOHNSON of Colorado. The section has several purposes. It is an authorization, it is an appropriation, it is a money-raising provision, and it has something to do with the debt limit. It affects the debt limit which the Congress has power to establish.

Mr. SALTONSTALL. To use the Senator's words, is it not an authorization, an appropriation, and an extension of the purposes for which the Second Liberty Bond Act was enacted?

Mr. JOHNSON of Colorado. I ask the Senator, What were those purposes?

Mr. SALTONSTALL. To use the Senator's own words—

Mr. JOHNSON of Colorado. Yes, I know; but the purpose of the Second Liberty Bond Act was to raise money, was it not?

Mr. SALTONSTALL. The purpose of the Second Liberty Bond Act was to raise money. As I interpret the words, the money may, at the present time, be already on hand in the Treasury, or the bonds may have already been authorized. This proposal would not include the authorization of any new bonds.

Mr. JOHNSON of Colorado. Of course, the Senator may reach that conclusion if he wishes to.

Mr. SALTONSTALL. Is not that the issue?

Mr. JOHNSON of Colorado. No; it is not the issue at all. The issue is this: We are paying out money through this appropriation measure, but before we can pay out money we must take in money. Before we can make an appropriation we must raise the money. I ask the Senator, What is his interpretation of the word "hereafter" at the end of line 7 on page 3 of the joint resolution? The language reads, in part, "proceeds of any securities hereafter issued." It seems to me that the word "hereafter" as used in the language which I have quoted answers the Senator's argument that the money is already in the Treasury.

Mr. SALTONSTALL. I agree with the Senator that the language would indicate that the money must come from Liberty bonds hereafter sold. We then come to the question of whether a bond issue is a revenue-raising matter, and whether this language is not designed to extend the purposes of the Liberty Bond Act.

Mr. JOHNSON of Colorado. I think the question is one of whether the sales of securities and bonds are revenue-raising acts; that is the issue which the legislative counsel found in the question. Senator Ashurst, of Arizona, brought forward the question with regard to the Boulder Dam project. Our legislative counsel, to whom I submitted my question, said that the same issue was involved here, namely, that of whether the sale of securities is or is not revenue raising.

Mr. President, tomorrow I shall make a further argument with respect to this matter.

Mr. AUSTIN. Mr. President, will the Senator from Colorado yield in order that I may propound to him a question?

Mr. JOHNSON of Colorado. I yield.

Mr. AUSTIN. Assuming that section 2 is a revenue-raising section, does the Senator consider that the measure might be passed without section 2 being in it?

Mr. JOHNSON of Colorado. Yes. If the Senate were to eliminate section 2 from the joint resolution, pass it, and send it to the other House, where the House would insert an appropriation provision and a revenue-raising provision, I think that all the objections raised by my point of order would be taken care of.

Mr. AUSTIN. Does it not follow logically in the Senator's mind that this is a measure in which the element of raising revenue is incidental to its main purpose?

Mr. JOHNSON of Colorado. No; I do not believe so. I do not believe that we can say it is merely incidental to raise \$3,750,000,000. I think that such an item is a very important part of the measure. But I also assert that the act of providing for such an amount is, under the Constitution, a right and prerogative belonging to the House of Representatives, and that the Members of the House

are the ones who should exercise the prerogative. It is my belief that they will exercise such prerogative when given the opportunity, and that all our time which has been consumed in considering the pending joint resolution will have been wasted, because I believe they will send the measure back to us.

Mr. AUSTIN. I received the impression from what the Senator said that he regards the amount of money provided for in the pending joint resolution as determining whether the proposal is a revenue-raising measure or is not a revenue-raising measure.

Mr. JOHNSON of Colorado. No. I regard it as having no bearing on the word "incidental." To me "incidental" means something relatively unimportant. Perhaps I am placing the wrong construction on the word "incidental." I think the amount in this provision is tremendously important.

Mr. AUSTIN. To what figure would the Senator be willing to reduce the amount in order to make it incidental?

Mr. JOHNSON of Colorado. To about 50 cents, or perhaps \$1.50. I might go that high.

#### THE ANGLO-AMERICAN REPORT ON PALESTINE

Mr. MEAD. Mr. President, I wish to discuss briefly the Anglo-American report on Palestine, which was recently made public.

The pronouncement of Prime Minister Attlee, immediately following the publication of the Anglo-American Committee's report, exhausts the patience of every informed American. Mr. President, I wish it to be understood that the speech which I am now making is not directed against the pending measure, because I favor it. The speech is not directed against the nation which has only recently been an ally of ours, because I recognize the need for world unity. The speech which I am making is for the purpose of pointing out an injustice which has resulted from a recognition made in good faith by the representatives of this country and of Great Britain. The Prime Minister's observations actually destroy the intent and purport of the report on Palestine made by the Anglo-American Committee.

Many months ago President Truman took the initiative in suggesting to the Prime Minister that 100,000 survivors of nazism be admitted to Palestine. We were told that it was easy for the United States to make fine gestures and give good advice while Britain must bear the responsibility. In this manner we were maneuvered initially into the appointment of the Anglo-American Committee. The Committee was appointed. It held exhaustive hearings. It made a survey and inquired into the economic, political, social, military, and other aspects of the situation. Later it made its report.

When the Committee was appointed, we were given to understand that the two Governments, particularly the British Government, which holds the mandate over Palestine, would be guided by the recommendations of the Anglo-American Committee. If we had not been assured that they would be guided by the

report, I am certain that the Committee would not have been appointed. We were told prior to the fulfillment of President Truman's request for the emigration of 100,000 Jewish survivors that the fact-finding American Committee would inquire into the essential features of the situation. The Committee did so. It went into every phase of the question. It held hearings in the United States, in England, and in Palestine, and it covered every possible activity within its province. Thus, the Committee had to pass judgment on the actual position of the surviving Jews in Europe, on the possibilities of their integration into Europe's life, on their emigration needs, and on the question of into what lands would they and could they immigrate. The Committee was also entrusted with the task of examining the political, economic, and social conditions in Palestine as they bear upon the problem of Jewish immigration and Jewish settlement.

Even when the committee was appointed, Mr. President, many of us had grave misgivings. We felt that many of the Jewish displaced persons might perish while the committee was engaged in ascertaining the facts. It was abundantly clear to any unprejudiced mind that the bulk of the Jewish survivors would be unable to live in Europe, which had been poisoned by Nazi propaganda, and which, for the Jews, had become one colossal graveyard. It was also made clear that if these unfortunates were to be saved from starvation and death, it would be necessary for them to emigrate, and emigrate quickly. It was also evident that their predominant majority was bent on going to Palestine and nowhere else, and that Palestine, especially its Jewish sector, was both willing and capable of absorbing the Jewish remnants of Europe. We were assured of all those things, Mr. President, on the basis of innumerable reports, and the testimony of experts, just as we were also assured that the Christian world owed such treatment and much and more to the innocent scapegoats of Nazi bestiality.

Mr. BREWSTER. Mr. President—The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from New York yield to the Senator from Maine?

Mr. MEAD. I am glad to yield.

Mr. BREWSTER. Is it not a fact that there are more than a million unfortunate Jews in central Europe who have never been able to receive a single loaf of bread from UNRRA?

Mr. MEAD. It is my understanding that that is a fair and accurate statement, and that unless something is done the rapidly gaining death rate will be accelerated. It would give all of them hope, it would give them strength for survival, if the report of the Anglo-American Commission were enthusiastically approved, and if certificates should be issued immediately for their ultimate location in Palestine. But it adds to their misery, it is an increased burden for them to carry, after the Commission is appointed, after the Commission makes a survey, after the Commission make its report, to have the report of the Commission conditioned with almost insur-

mountable obstacles by the British Prime Minister.

The British Government wanted a new inquiry, and we lent ourselves—our name, our men, our responsibility—to this plan. Britain appointed 6 men, and President Truman appointed 6 men. Now we have the combined report of the 12 members. All the known sad facts about the Jewish position in different countries were again confirmed and reiterated. Most of their political recommendations, especially those with regard to long-range policies, were vague, and paid little attention to the established rights of the Jewish people, and to past confirmation of these rights by Great Britain, by the United States, and by other nations of the world, particularly by 54 foreign nations which gave to Britain the mandate at San Remo.

However, Mr. President, at one point the committee spoke in clear, unmistakable language. That was on the question of the 100,000 to be immediately admitted to Palestine. After a delay of several months we finally had British-American approval of President Truman's original request for the 100,000 certificates. This approval was both British-American and unanimous.

Those who perished in the meantime, no human effort can bring back to life. But at least 100,000 of the Jewish displaced persons, particularly 100,000 of the 1,000,000 persons brought to my attention by my distinguished colleague from Maine, can be saved if great dispatch and speed are given to the recommendations of the Commission.

Mr. President, we believe that the report of the Commission should instantly be approved by the two Governments which created the Commission. The Commission spoke for the two Governments and the Commission made its findings to guide the two Governments. We were disappointed, and the people who are supposed to be the recipients of the benefits of the report are certainly disappointed, and, I may say, neglected and abandoned.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield.

Mr. BREWSTER. I do not wish to interrupt the Senator's statement—

Mr. MEAD. That is perfectly all right.

Mr. BREWSTER. There has been a great contribution to the confusion prevailing in this matter as a result, first, of the various ramifications in the report; and, second, by the treatment to which the Senator referred, by the Prime Minister, who attached certain conditions to the carrying out of the report.

It seems to me that the situation would be very greatly clarified if the American people and the Congress could understand that the recommendation that 100,000 refugees should go to Palestine is simply a recommendation that the plain terms of the mandate of the League of Nations to Britain should be fulfilled, that the terms of the white paper, as it was called, which, under the Chamberlain government, restricted the immigration, first, to 75,000, and now has cut it off entirely, was denounced by Winston

Churchill in the Parliament as a plain violation of the covenant of the League and the mandate; was denounced by Mr. Herbert Morrison, the present Labor leader of the British House of Commons, as a plain violation of the mandate; and was denounced by unanimous opinion of the Mandates Commission of the League of Nations as a violation of the mandate of the League. So that there was no approval by any responsible authority, outside the British Government, including the Government of the United States, which expressly declared, through President Roosevelt, that it had never approved the white paper—we were a party by reason of the Coolidge Convention of 1924—and the Mandates Commission of the League, which was the juridical body to pass upon the question.

Furthermore, Dr. Lowdermilk, the very able Assistant Chief of the Soil Conservation Service, has made it abundantly clear that there was no need to increase the absorptive capacity of Palestine, that Palestine could not only absorb 100,000 but from two to three million.

So, world opinion has a complete right to expect that the British Government will immediately move forward in accordance with the request of the President of the United States, in accordance with the recommendation of the Commission, in accordance with the finding of the Mandates Commission of the League, and of every responsible authority, including Winston Churchill and Herbert Morrison themselves, that the Jews of central Europe should be permitted now to go to Palestine without further delay, with the results which follow delay, as we saw when last June a committee of six Members of the Senate visited Dachau and the other concentration camps and saw prisoners dying at the rate of between two and three hundred a day, because there could not be adequate provision for care.

Therefore it seems to me that the opinion of this country should be clarified. Asking for the admission of the 100,000 Jews to Palestine is not a matter affected by other provisions which may be in the report. There are other provisions in it, with which I think anyone interested in the problem and familiar with the questions must violently disagree, but the fact that that is so by no means indicates that the doors of Palestine should not be open for the admission of the 100,000 refugees without delay, and, as I believe, to the million Jews who remain alive still in central Europe, with no place to lay their heads.

Mr. MEAD. Mr. President, I am in thorough agreement with the observations which have just been made by my colleague from Maine. I am of the opinion that there is no parallel case in history of a great nation having agreed to carry out a responsibility expediently disregarding its responsibility as is the case with Britain and its charge, Palestine.

It is true that they accepted the mandate as explained by my distinguished colleague from Maine; it is true that 54 nations of the world were responsible associates in giving that mandate; it is



true that the United States took the necessary steps to become a part and parcel of that mandate, and that we expected to be notified if there were any change or alteration in the assumed responsibility. Yet white paper after white paper repudiating the mandate was issued by the Government of Great Britain without bringing the matter to our attention, and certainly without our approval and without our support.

Mr. BREWSTER. Will the Senator further yield?

Mr. MEAD. I yield.

Mr. BREWSTER. Is it not also true that since the entire right of Great Britain in Palestine is a result of the mandate of the League which created them as mandatory, it could only be modified by the action of the power which created it, the League of Nations?

Mr. MEAD. That is correct.

Mr. BREWSTER. Or by the successor thereto, that is, the United Nations of the world, who have succeeded to the mandates of the League, and with the compliance of the United States of America, through the competent authority, because of our participation through the Coolidge Convention of 1924, which was ratified by the Congress?

Is it not true that while the hundred thousand refugees whose admission to Palestine is requested are entirely within the terms of the mandate, in accordance with what everyone has said were their rights, the other conditions of the report of the Anglo-American Commission can have no validity until they are approved not merely by the Government of Britain, not merely by the Government of the United States, but by all the nations concerned in the mandate of the League or of the United Nations. Furthermore, the executive authority of the United States cannot possibly extend to the modification of the mandate, because it was created by a treaty ratified by the Senate of the United States, and therefore could only be modified by an authority equal to that which created it.

While we might welcome the inquiries of the Commission, while we might pay respect to them as a body of respectable gentlemen, yet we must recognize that the only validity any action regarding Palestine can ever have is through the action of the Governments, through their constituted constitutional authority to modify the terms.

Mr. MEAD. Mr. President, I think my colleague has given the correct legal history of the mandate and the correct legal interpretation that is to be associated with any modifications or alterations of the mandate before it can be approved.

The mandate, which was the creature of the League of Nations, was given to Great Britain to carry out. It was approved later, as the Senator from Maine well pointed out, by the United States. No change can be made in that mandate, no modification affecting the mandatory power can be made, and no alteration can be made, unless it is made, as the Senator has so well explained, by the power which gave the mandate, and by the powers which subscribed to it. The President of the United States cannot, by creating a commission or by issuing

a proclamation, modify that mandate. The Prime Minister of Great Britain is without power and authority to interfere with it. That mandate, as the Senator has well said, in my judgment will have to be considered, if it is to be amended or altered, by the power which gave it or by the power which succeeds the power which created it. So, Mr. President, the report of the Anglo-American Commission only emphasizes the necessity for making available in Palestine a homeland for the Jewish people of central Europe, who have suffered so much in the last few years.

Mr. President, the observations made by the Prime Minister, the requirements which he has promulgated, are entirely beside the point. They are in my judgment made to complicate the situation and cause further delay.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield.

Mr. BREWSTER. I am glad that the Senator from New York made that point, as it seems to me to be the inevitable result, and I think it must be considered to have been the intention to confuse the public opinion of this country as to the issue, by stipulating these conditions and by bringing forth the whole report, much of which is entirely beyond the competence of any existing executive authority.

The first 100,000 refugees to be admitted to Palestine are within the immediate power of the British Government, and within its immediate obligations under the mandate, as pronounced by every competent authority, British and American, who has considered the question. The only consequence of this delay and confusion is further to add to the difficulty.

The British say, "Well, the Arabs are going to make difficulty, and ibn-Saud is threatening war." Having vanquished Hitler and Hirohito, does it seem possible that the British lion is going to retreat before an Arab sheik whose only power has arisen from the grants made to him in the past 10 years by the British and American Governments and by British and American oil companies? All the arms and munitions and whatever limited resources he possesses come solely from those sources, and all the forces he possesses are thousands of miles away across the Arabian desert, as we saw when we traveled over that area. The problem of pacifying Palestine could very easily be handled if the 25,000 volunteers from Palestine in the British Army were simply allowed to return and defend the admitted rights and obligations of the British Government in that area.

Mr. MEAD. It occurs to me that Great Britain could very well carry out the responsibilities entrusted to her by the mandate and that she could accomplish that objective without the use of military force. But if the use of military force should be found to be necessary, in view of the assumption of this responsibility by Great Britain, it would not be very difficult to take appropriate action.

The Senate will recall that only recently a mutual treaty was approved between Great Britain and Trans-Jordan. It occurs to me that both countries agreed to come to each other's defense if the necessity should arise. Students of the Middle East have observed that this treaty is for no other purpose than to allow a large concentration of military power in the Middle East. It will probably result in setting up military bases in Trans-Jordan to accommodate the troops that were heretofore located in Egypt. Nevertheless, Mr. President, we all know that Britain has a strong military force, which is equipped with modern, up-to-the-minute weapons, and that any excuse that she cannot carry out the responsibilities of the mandate because of fear of revolt and insurrection will not be accepted by students of the affairs of the Middle East. I quite agree with my colleague's observations in that connection.

I desire to speak of the two requirements which the Prime Minister developed after the Commission had made its report. Mr. Attlee formulated two British conditions to the grant of the 100,000 immigration certificates. First, that the Jewish agency bring about the voluntary disarmament of the Jewish "illegal armies" in Palestine. Second, that America share in the responsibility for bringing the 100,000 Jews into Palestine.

I, for one, have no illusions with regard to Britain's policy and intentions in Palestine. I am, therefore, sure that the acceptance of the above two conditions would not settle the problem; for I believe that thereafter new objections would be made and new conditions purporting to accomplish the desired results would be imposed, although actually they would prevent the salvation of European Jewry and the advancement of the wonderful Zionist enterprise in Palestine. But let us look into the two conditions posed by the Prime Minister.

First of all, I believe that the demand for the disarmament of the Jewish self-defense organization in Palestine was not made in good faith. No man, I take it, would believe that 600,000 Jews in Palestine surrounded, as they are, by twice their number of Arabs in Palestine and by millions of Arabs in neighboring countries, would give up their only means of protection and place themselves, their wives, and their children at the mercy of the Arabs. It occurs to me that would be asking them for too great a sacrifice under existing circumstances.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BREWSTER. Did I understand the Senator to say that he thought the demand for disarmament was not made in good faith or was made in good faith?

Mr. MEAD. I thought that the demand on the part of the British that the illegal armies surrender their arms and that we participate in the responsibility associated with settling 100,000 refugees in Palestine was not made in good faith, but was made to postpone and to put off and ultimately to sabotage the undertaking. It occurs to me that under existing conditions, with a hostile British

administration, and with encouragement given to Arab leaders to initiate hostile raids, it might prove disastrous for the Jewish people to give up such defense methods as they may have under existing circumstances to protect themselves. It is not for them, in my judgment, to create peace in that community. It is for the power which has the mandate, the power which has the military might, and it can do so. It is my judgment that that power will find the Jewish people eager and willing to cooperate in any effort of that kind. But an effort has not been made in good faith, and until it is made it will be difficult for me to blame the Jewish people of Palestine for devising some means of self-protection.

Mr. President, the second condition of Britain's Prime Minister, namely, that we share responsibility for the immigration of 100,000 Jews into Palestine, does not appear to me to be valid. First of all, we are not told whether the responsibility we are to assume is to be political, financial, or military. It occurs to me that they ought to be more specific. But if we are to share in the responsibility, if it is to be political, military, and economic, then, of course, it should carry with it our participation in everything else associated with Palestine, including some of the rights and privileges. Many of them I am not concerned with, nor is the United States concerned with them, I am sure. But to assign to us a specific responsibility, while reserving to themselves many of the attractive rights and privileges, does not seem to me to be acting altogether in good faith.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BREWSTER. I ask whether or not the Senator from New York has explored the question of why this matter should not be brought immediately to the attention of the United Nations Council now in session in New York?

Mr. MEAD. I am of the opinion, after considering the question at great length, that it will never be solved if the mandate is left where it is, with Great Britain. I am of the opinion that from the very beginning, at every turn she has avoided and evaded her responsibility. I have given up hope. I have exhausted my patience with Great Britain. I believe that this mandate ought to be turned over to the United Nations, there to be considered, there to be renewed, and given to nations which will carry out and respect their responsibilities.

Mr. BREWSTER. Is not the United Nations Council the tribunal to which appropriate appeal might be made, first, for a determination of whether or not Great Britain has fulfilled its obligations under the mandate; and, second, whether or not the threat of Ibn-Saud that he will raise a holy war against Britain and the United States may be a threat to the peace of the world of which the United Nations Council should appropriately take cognizance?

Would the Senator from New York join with me in representations to the State Department of this Government and the President that the representa-

tives of the United States in the United Nations Council should pause a moment in discussing the difficulties in Iran, in discussing the difficulties in Spain, and in discussing whether or not Russia is fulfilling her obligation, and ask whether or not justice is being done in Palestine, when 1,500,000 Jews are perishing because of the failure of the mandatory power to act and because of the refusal of the mandatory party to carry out its plain obligation? Could not the United Nations Council properly and prudently take a few minutes off from its other concerns to consider this immediate problem, particularly since it happens to be the fact that, while neither of the great parties in their platforms at Chicago mentioned Iran, Russia, nor Spain, both parties pledged themselves to see that the obligations regarding Palestine were fulfilled? Is it not high time that those responsible for administering our foreign relations should see to it that the United Nations Council, the appropriate tribunal, gives consideration to this matter, without delay, first, because it concerns justice in the world, and, second, because it contains a potential cause of conflict, with which the United Nations Council is so immediately concerned?

Mr. MEAD. Mr. President, because of the sacrifices which the Jewish people have been called upon to suffer in the past; because of the contribution which they made throughout the war, and because of the devastation they face and the peril in which they live at present, I think their case is vitally important. I think it should be taken up without delay by the United Nations, and I think it should be dealt with in a humanitarian manner, to the end that the mandate will be respected and carried out in the future, and that unnecessary suffering shall come to an end. I am of the opinion that if the United Nations were to take over and consider this question, reach an agreement upon it, and come to a determination, there would be no military revolt, no holy wars would be inaugurated, and peace and equity would result in Palestine.

As I pointed out earlier in my remarks, only a short time ago Great Britain, in violation of the mandate, set up an independent nation within the mandated area, namely the nation of Trans-Jordan, and within it established a military base. Probably the British are spending millions of dollars to concentrate a huge military force there. That in itself, in my judgment, is a violation of the mandate. That creates a menacing condition in the Near East. An agreement between two nations in violation of a mandate agreed upon by many nations is a violation of the spirit of the United Nations. It occurs to me that that was not a friendly act, and that it was done for the purpose of establishing British military might in the Middle East.

Mr. BREWSTER. Mr. President, will the Senator further yield?

Mr. MEAD. I am glad to yield to the Senator from Maine.

Mr. BREWSTER. If the Senator is correct, that the creation of the independent state of Trans-Jordan under the

dictatorship of Emir Abdullah was a violation of the mandate, is it possible to justify that action on the basis of a resolution introduced in the United Nations Council, as I am informed, at London, recognizing the action, calling attention to the fact that the British had announced its intention last January to do this, and simply taking cognizance of the action, without reference to the Congress of the United States, which was a party to the original agreements, and without consultation with the other authorities concerned?

Mr. MEAD. It is my opinion that that would be illegal. It would not serve to give Great Britain authority or sanction her action, because it is a modification of the original mandate, and that mandate cannot be altered or modified by any action taken by Great Britain, followed by the adoption of a resolution which considers only that portion of the mandatory agreement. In my judgment it would have to be referred to the United States, because we passed upon it with the distinct understanding that any proposed modification would come to us for consideration.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. MEAD. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I merely wish to say that I think the Senator is eminently correct in his position that Great Britain does not own this territory. She has it under a mandate. It is not a colonial possession that she can do with as she pleases. Therefore I think the Senator is on eminently sound ground when he makes the contention that this agreement cannot be modified unilaterally or bilaterally, without the consent of all concerned.

Mr. MEAD. It goes back to the original mandate and to the power which created the original mandate. When that power is followed by a subsequent power which takes over its authority, and that power, after consideration of the entire mandate, modifies it, only then is the modification legal. In my judgment it would then have to be referred to the United States because of the requirement in the treaty that no change be made unless we accede to it.

Mr. President, I regret that the Prime Minister has seen fit to require that new conditions be met before the recommendations of the Anglo-American Commission are carried out. The Commission was created after considerable discussion between representatives of both countries had taken place. It was understood by everyone who followed the subject that the inquiry made by the Commission and the report of the Commission were to guide Great Britain and the United States, and particularly the mandatory power, Great Britain. When the report was made and received in this country and in the United Kingdom, the one feature of it which received unanimous approval was the immediate migration of 100,000 refugees from Europe to Palestine. Everyone seemed to be in agreement with that recommendation, and everyone lived in the hope that it would be consummated without delay.



When these two new conditions were announced by the Prime Minister of Great Britain, fair-minded people all over the world were shocked. The announcement must have shocked Winston Churchill and Herbert Morrison, who on the floor of the House of Commons had bitterly assailed their Government for its treatment of the Jewish question. Certainly, it was a bitter disappointment to President Truman, who months ago had expressed the hope that 100,000 people would be admitted to Palestine without delay. It was a bitter disappointment to people who had been led to believe that when a great nation had agreed to assume a responsibility it would be fulfilled. It was a bitter disappointment when one modification after another and one alteration after another were made known, promulgated by the responsible nation. If we are to have faith in agreements, if we are to have faith in nations discharging their responsibilities, here is an opportunity for the British Government to fulfill its responsibility, to stop quibbling, to cease imposing conditions which are impossible of attainment, and to show its good faith in a responsibility which was entrusted to it by the other nations of the world.

So, Mr. President, I merely make this point in conclusion: I am disappointed in the attitude of the Prime Minister. When I say I am disappointed, I believe I can also say there is disappointment in many circles throughout the Nation and in many parts of the world where people had hoped and where governments had believed that the report of this Commission would be carried to fulfillment.

While we are still discussing the matter, Mr. President, and while the carrying out of certain conditions is still being advocated, the Jewish population is decreasing. The Jewish people have been dying by the thousands. The death rate will accelerate. How much longer they will be called upon to make this sacrifice depends upon the forthrightness of the Prime Minister and his government. Mr. President, I hope their attitude will change. I trust that they will recognize their responsibility and will realize that they cannot continue with one postponement after another, as is the history of this case, and at the same time expect to enjoy the confidence and good will of the other nations of the world.

Mr. BREWSTER. Mr. President, I am very much interested in the statement of the Senator from New York regarding the Palestine situation. I am sure he has made a very valuable contribution to the public understanding of the issue.

A million and a half unfortunates in central Europe may find it a little difficult to understand how, in the eagerness of his advocacy of their cause, he at the same time turns around and votes for a \$4,000,000,000 loan to the very people who are crucifying these particular people. I hope the Senator from New York will ponder this issue very carefully in the next few days before it comes to a vote, and will consider whether the way to get Great Britain to fulfill its obvious obligations, on which we are all agreed, is by giving her a \$4,000,000,000 bonus while she is in such obvious default.

I speak of this matter, not in any capacious spirit, but because I think it is implicit in the entire course of our relationships with Britain in the next few years. There will be a great variety of problems in connection with this matter in which there will be an American viewpoint, an American policy and, I apprehend and hope, at times they will be at variance with those of the British. I believe that the British will be much more inclined to collaborate with us in the measures which we deem to be essential for the maintenance of peace, if we have not committed ourselves in the meantime to an advance of \$4,000,000,000, which would be sufficient to make them, in an economic sense, as independent as a hog on ice for a considerable time to come. If we pursue the other policy, namely, that of giving them a billion dollars, or a billion and a half dollars, which they may immediately need, we should look over the situation at the end of a year or two, determine how the British are getting along, and ascertain whether they are prepared to fulfill their 25-year-old obligations before expecting us to go forward with a grant to them of unlimited credit in order to carry out their particular designs.

Mr. President, I wish to speak concerning a matter which is equally involved, namely, that of credit.

In any transaction involving the extension of credit, the person or nation lending the money is entitled to know what use will be made of it. I take it that that is axiomatic. On that theory, and because I believe it to be pertinent to the subject now before the Senate, I wish to invite attention to an article written by Mr. Walter Lippmann and published in the Washington Post of Tuesday, May 7, and, I assume, in other newspapers which customarily publish Mr. Lippmann's column.

Mr. Lippmann was reporting upon his observations made during a tour of Europe from which he had just returned. He stated that Great Britain and the Soviet Union are maneuvering for position "in anticipation of war which they regard not necessarily as inevitable, but as probable." The particular portion of his column, which I believe has a bearing on the subject now before us, reads as follows:

Much of this Anglo-Soviet duel is hidden from view, yet not so much but that we know that much is hidden. The German officers who were captured at Stalingrad, and were for a time used to make propaganda against Hitler, have disappeared behind the famous iron curtain. But it would be naive to suppose that they do not continue to form an important connection with important elements of the German Army.

There is also a German Army, a large and good one, which surrendered to the British. The story of that surrender has still to be told in detail. The story of what happened to that German Army after the surrender is still hidden behind a silken curtain. Enough is, however, known to warrant the statement that the corps of officers in this particular army were treated with exceptional consideration, with enough chivalry to justify them in feeling that their careers as professional soldiers were not necessarily and finally terminated. Their treatment may have been in fact merely sportsmanship to a loser and chivalry to the vanquished. But it has

suitably remarkably what these German nationalists most want to believe—namely, that they will live to fight another war in which Germany will recover her territory and her greatness.

The implications, some of which are very thinly veiled in what Mr. Lippmann has to say about the existence of a German Army which surrendered to the British, are staggering. Mr. Lippmann is one of the foremost journalists in the United States. He is skilled in the precise use of language, and he is universally known as an accurate reporter. Mr. President, allow me to point out what he says:

● There is also a German Army—

And he adds—

a large and good one.

That little two letter word "is" strikes me as being very important. We know, of course, that there was a large German Army which surrendered to the British, and that the surrender took place exactly 1 year ago. Are we justified in inferring from what Mr. Lippmann has written that the elements of the German Army, or a substantial portion of the forces, which surrendered to the British, are still in existence as organized military forces?

I point out again that Mr. Lippmann says that this army is "a large and good one." What is meant by "good," a good army? I assume that no one would attempt to argue that an army without weapons would be a good army. Armies are created to fight. But in order to fight they must have arms and ammunition. An unarmed army certainly could not be described as a good army.

So, from Mr. Lippmann's article the conclusion seems to be inevitable that, unless he has been misinformed, there is now in existence, as a fighting unit, a formidable German Army. Presumably it is being maintained in the British-occupied zone of Germany. The maintenance of "a large and good army," to use Mr. Lippmann's words, is an expensive proposition. It would be expensive even if the army were composed of prisoners of war. On this point, however, let it be assumed that there is no accurate information, and that the members of this German Army receive very low pay, or even none at all. Under international law I believe that we must pay them at the same rate as they were paid when they were a part of the forces fighting for Germany. However, the cost of maintaining such a force in fighting condition would be very considerable.

We are now being asked to loan several billion dollars to Great Britain. So, it seems to me to be pertinent to inquire if a part of this money is to be used by the British for the maintenance of an army of German mercenaries on the Continent of Europe. We know something about German mercenaries. For all I know, there may be some compelling reason for the British to maintain such an army. It is conceivable that such a course might be advantageous to the United States as well as to Great Britain. But on that point, Mr. President, as upon so many other points involving our relations with other nations, the American people, and even the Senate of the United States, are without adequate information. We hear

much talk about the so-called iron curtain behind which the Russians are operating in eastern Europe. Mr. Lippmann refers to what is called a silken curtain which conceals what is going on in the British zone of occupation.

Mr. President, I sometimes fear that we in the United States, so far as the administration is concerned, are living behind what may be described as a "verbal curtain," a curtain of language employed by high officials of this administration to conceal the real facts of the international situation. It seems to me that our State Department, or the President, might well answer clearly and completely the questions which are raised by Mr. Lippmann's column.

#### LEAVE OF ABSENCE

Mr. CARVILLE. Mr. President, I ask unanimous consent to be absent from the Senate for an indefinite period, to return if called upon by the majority leader.

The PRESIDING OFFICER. Without objection, leave is granted.

#### HEARINGS ON SALE OF SURPLUS ARMY TRUCKS

Mr. MEAD. Mr. President, I wish to make a brief statement relative to a hearing which the Special Senate Committee Investigating the National Defense Program will hold on Tuesday next.

On Tuesday, April 30, 1946, I reported briefly to the Senate on a matter which had been the subject of considerable interest in the Senate in a debate on April 12, 1946; namely, the sale of 600 2½-ton surplus Army Studebaker trucks which were offered for sale by Gimbel Bros.' department store in New York City.

The remarks which I made on that occasion were addressed principally to two aspects of that transaction; namely, the previous offering of the surplus trucks to priority claimants, and the proceeds the Government received from the sale of those trucks. These facts were obtained by the staff of the Special Committee Investigating the National Defense Program, of which I have the honor to be chairman.

On that occasion, some of the Senators who participated in the discussion indicated an interest in this matter beyond the two points on which I submitted facts, and requested that the committee afford an opportunity at a public hearing for a complete examination of all phases of this matter. At that time, I announced that the committee would hold such a public hearing and would give notice to the Senators who displayed an interest in the matter and would invite them to attend the hearing.

During the discussion, Senators raised some questions which did not bear directly on the particular transaction on which I reported, and it was requested that provision be made so that those matters could also be raised at the hearing. In this connection, let me say that the more important questions which were raised were two: namely, the steps which have been taken by the War Assets Administration to carry into effect the provisions of section 17 of the Surplus Property Act providing for sales of surplus property in rural areas, and the character of the notice—particularly, the

notice given to veterans—which is given to priority claimants before surplus articles are offered to the trade.

A question as to the principal in the case was also raised. The principal was stated to be Arthur Price Associates, for whose account the 600 trucks were purchased by 8 Cleveland dealers. It will be recalled that subsequently the trucks were sold to the general public by Gimbel's and one other department store. We learn that Arthur Price Associates actually was financed by and was acting for José M. Mayorga, 1 Wall Street, New York City. With reference to Arthur Price Associates, I state at this point that the committee has been informed by Mr. Arthur Price that his organization consists of himself and his brother, Irving Price, doing business as a partnership under the name of Arthur Price Associates. Mr. Price will appear at the committee's hearing, which I have already announced. At this time I do not propose to enter into a detailed discussion of his background, since it should be fully developed at that hearing. Questions as to his organization and as to who the "associates" might be were raised in the Senate debate to which I have referred.

Mr. President, as a result of that debate, in which a number of Senators participated, we have invited to attend the hearing the dealers who purchased the trucks, the Arthur Price organization which purchased the trucks from the dealers, Mr. José M. Mayorga, whom I have mentioned, who evidently financed the deal, and representatives of the department stores, who will be able to tell us how many trucks they sold and the price at which they were sold. We have also invited members of the War Assets Administration and other representatives of agencies in Washington to be present at the hearing. The public hearing of the committee will be held on next Tuesday, May 14, at 10:30 a. m. in room 318 of the Senate Office Building—the caucus room. The committee believes that this hearing will afford an occasion for all Senators who are able to be present at the hearing to inquire into the procedure in connection with the sale of surplus property, as it is exemplified in the sale of the 600 surplus Army trucks advertised by Gimbel's department store in New York City.

The committee has invited in addition to the persons I have already mentioned, Lt. Gen. Edmund B. Gregory, Administrator of the War Assets Administration, other officials of the War Assets Administration who have personal knowledge of this particular transaction, representatives of the eight Cleveland truck dealers, Mr. Arthur Price, and Mr. Fred Gimbel, president of Gimbel Bros.' department store.

Mr. President, I give this notice in order that Senators who are interested in the sale which has been referred to and Senators who have expressed an interest in the debate which incurred in the Senate a few days ago may be in attendance at the hearing, at which time we may not only develop the technique followed in the particular sale under consideration but may determine how

sales are made to farmers, farm organizations, and others in whom an interest has been expressed.

In conclusion, I express the hope that every Senator who is interested and concerned with the sale of surplus property and its administration will be present. We wish all of them to have an opportunity to ask questions and to make their observations, because our committee is attempting to do a constructive job in connection with the matter of the disposal of surplus military property.

#### PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. WILEY. Mr. President, the startling advance and discoveries of physical science in the field of atomic research are of such significance in this age that no thinking person can afford to ignore them.

The world-wide conflict has been succeeded by revolutions and civil wars throughout the earth; racial frictions have burst into flame; industrial strife in our own land has increased, and, to human sense, there is on every hand much evidence of disunity. Two great age-old ideological forces are in conflict. Yes; in conflict for the mastery of the world. They are the idea of the state as all-powerful, and the idea of the state as the servant of the people.

That, Mr. President, is what was so graphically depicted a few minutes ago by the Senator from Maine. It is known to every thinking person who has eyes with which to see.

The situation at home and abroad has a tendency to mesmerize us into a condition in which we, as individuals and as nations, feel impotent to heal the world's economic and political ills. Of course, on one hand we hear much talk of the need of the brotherhood of man, but what are we doing? What are you and I doing? These questions confront every one of us who desires to see the destructive forces harnessed and see true unity and peace established throughout the world.

Yes, what can I do as an individual in this critical hour to contribute to the solution of these problems? I have asked myself that question many times. Individually, I can have faith that this is but a temporal fever that we are witnessing and that it will burn itself out, and individually, if I am to square my actions with my faith, I must keep my thinking straight. I must put first things first. I must refrain from "barbing" individuals, classes, and other nations. When criticism is made, let it be for constructive purposes on a high level and impersonal as far as possible.

But, Mr. President, I am a Member of the greatest policy-making body in the world. In that respect I am different from the individual. This policy-making body has a separate and distinct responsibility apart from the individual. Its decisions now, because the world is contracted, will have much to do with the



world conditions of the present and future. America has been precipitated—whether we like it or not—into world leadership, and the Congress of the United States is facing the question: What can it do to contribute to the solution of these world problems?

There are at least 2,000,000,000 human souls on this earth. It has been estimated that there are not more than 200,000,000—and our race is among them—who believe in a government of checks and balances, deriving its powers from the people. These 200,000,000 have come up through the ages, through oceans of blood. They have come up after waging an interminable conflict against this other idea—the idea that the state is all-powerful and that the individual man is of no account. So, we, as Members of this people's Congress, must face individually the question: What can we do to meet the challenges that face us in this present world?

Mr. President, I am in favor of financial aid to Great Britain. My basic reason for this position is the enlightened self-interest of our own country, the self-interest which motivates a good Samaritan to help his brother to help himself.

I am not a member of the Senate Banking and Currency Committee, and was not privileged to hear the testimony on the measure before us, Senate Joint Resolution 138, providing for a 50-year \$3,750,000,000 loan to Great Britain, in addition to \$650,000,000 for the liquidation of lend-lease, and other items. But I have carefully read the hearings, weighed the literature on the subject, and heard all sides of the question. I have tried to keep my mind open so as to get the benefit of all possible light on this vastly significant question.

#### THE LOAN'S IMPORTANCE IN THE ATOMIC AGE

This issue cannot be decided on the basis of mere sentiment, or merely on the basis of an ordinary commercial loan. The whole future pattern of world political and economic relations is at stake. American leadership in this atomic age is at stake. We must view this subject from the perspective of future generations, from the perspective of international cooperation for a long time to come. There is no comparable period in history wherein our country faced such challenges ahead.

The atomic bomb, the rocket plane, and kindred inventions have changed the status of world relations, have bombed us loose from our traditional concept (since the days of George Washington) that we on this continent could live free, safe, and unhampered from the world's economic, political, and military problems.

Today, the world, every part of it, is just around the corner from every other part. A fire anywhere in the house of the world—an economic fire, a political fire, war fire—endangers our part of the house. By preventing economic, political, and war fires elsewhere, through this loan and the United Nations, we protect our own land; we look after our own interest.

#### REASONS FOR LOAN OR CREDIT

Let me, therefore, state that I support financial aid to Great Britain on these

basic grounds, and I am going to call a spade a spade:

First. Financial aid will, in the present world political crisis, bolster the position of representative government against the forces of dictatorship on the continent of Europe and throughout the world.

In this contracted world, where all nations are neighbors, it will preserve the very concepts for which we fought; for which our fathers fought—the right of freemen to life, liberty, and the pursuit of happiness. It will serve as a symbol of the unity and cooperation of free peoples.

Second. Financial aid to battered Britain will make for improved economic relations, between the nations, which are so desperately needed in this war-shattered world.

It will stimulate the economic currents that will circulate goods among the nations which are today experiencing such want.

The loan will not be a cure-all panacea; it will not solve all the world's economic problems, but it will prove a healthy economic shot in the arm not only for Britain, but for the world, which is vitally needed. I am not one of those who would overemphasize the value of the loan for increasing our world trade. For too long a time folks in high places have made a fetish of world trade.

Third. This loan, I believe, will be repaid and it is worth taking the financial risk.

I am, of course, fully familiar with the history of foreign nonpayment of debt owed to us after World War I. But I say that in this new atomic age, when faith among the nations is so important, when international obligations must be fulfilled, lest we all destroy ourselves in atomic war, England will and must make every effort to meet her future financial responsibility to us.

We dare not spurn this loan because of the element of financial risk. If this loan accomplishes its objectives and it, with UNO and the world bank and credit fund succeed in encouraging global unity and cooperation, then mankind will have been saved from destruction. If these mechanisms fail because they are not backed with the will, intent, and purpose of Russia, Britain, and the United States for a just and lasting peace, then God alone is our help.

#### THE NEED FOR COLLATERAL

I have stated that it is to the enlightened self-interest of America to back this loan. But let me make it clear that it would have been more to our interest if those who negotiated this loan for us had kept American interest more in mind by requiring British collateral to back up the loan.

Throughout my incumbency in the Senate, I have emphasized the importance of having America's foreign financial transactions backed up by other nations' collateral. I stated prior to Pearl Harbor that I would have backed lend-lease had British collateral in South America, for example, backed up the funds we gave her. This is and was horse sense and realism to require col-

lateral; to do so is to keep faith with the American people of this and future generations of whose funds we now are but the trustees.

Our negotiators might well have secured the type of collateral that Jesse Jones secured in 1941 as backing for the \$524,000,000 RFC loan to Britain.

Today it is estimated that the British-owned assets in this country amount to more than \$3,000,000,000, including United States Government bonds, corporate securities, and otherwise. It is estimated that British assets in other countries are more than \$3,000,000,000. Her unmined gold reserve is estimated at \$15,000,000,000. Her diamond reserves at \$8,000,000,000. She also has several billions in cash.

Let me say, parenthetically, all these assets show that Britain is not broke and give added assurance that she will revitalize herself economically and pay her loan.

Of course, there are factors which would limit the uses of part of this collateral. But surely we could have found ways to collateralize the loan.

Our American dealers obviously misdealt when they failed to include in the settlement American air and sea rights to British bases and American possession of air-sea bases as posts or outer ramparts of defense. This would have made for a just give-and-take, but our dealers were asleep at the switch, just as they were when \$5,000,000,000 of America's war items on hand in Britain were liquidated at a payment to us of 10 cents on the dollar.

But now that our negotiators have failed to secure for us collateral, which is available, should we reject the loan for that reason?

I voted today against the McFarland amendment because I believe that at this late stage it would mess up the whole situation.

Negotiations are now under way relating to bases. The Senator from Kentucky [Mr. BARKLEY] stated that adoption of this amendment would mean a death sentence to the agreement.

I have stated that the loan represents an historic undertaking required for many compelling reasons, and I should like to have us look closely at some of those reasons now.

#### 1. THE POLITICAL REASON

The first reason which I have given is that the ratification of this loan will help to preserve that small group of democratic capitalist nations on the western fringe of Europe against the forces of eastern communism. Yes; a strong Britain means strength for Scandinavia, Holland, Belgium, France. I believe, too, it means that other nations will the sooner get on their feet, including a cleansed and resurrected German people.

Let me make this clear: This is no "Red scare"; this is a realistic view of the situation. I believe that we must play ball with Russia in this contracted world. I believe that we must make every conceivable effort to cooperate with her and achieve with her a just basis for lasting peace. We must get better acquainted with each other. All curtains

must be torn down—suspicion, fear, distrust, and Russia's iron curtain.

But I cannot and will not close my eyes to the fact that while we are attempting to cooperate, communism is firmly entrenched in virtually every country of Europe, that communism is on the march, and that the mightiest bulwark against it on and near the Continent is the United Kingdom.

Yes; it is the United Kingdom, even with its Socialist Government, with which I do not agree, but which I recognize does stand for the basic freedoms of mankind, for which Englishmen have always stood and fought and died.

I hold no special brief for England. There is to my knowledge no English blood in my veins. I have not spared England or English feeling when I have thought that she was engaging in unfair tactics. I do not believe that the British horse traders who made this deal paid particular heed to the principle of give and take. Otherwise, they might have willingly given us the rights to bases, as I have mentioned. I am not unmindful, too, of many British mistakes in her history which have disturbed the American people.

But these facts fade in importance when we consider the terrible political crisis in which western civilization finds itself, a civilization based upon freedom of the individual, free enterprise, and the capitalist system.

These facts also fade when we consider the able defense which Britain has historically made of the traditions of freedom against tyranny. That defense is once more urgently needed, since forces of Communist dictatorship are sweeping across Europe.

We all know how the British people stood up to the blitz, how they lost 4,000,000 homes, and of the other terrific sacrifices they made during the war. But a few short months ago, our boys bled with English boys in Africa, on the beaches of Normandy, and on the approaches to the Rhine. Shall we part company now that the shooting is over? Peace is still far from won.

Britain imposed on her citizens a rigid system of rationing which is still in effect. In many ways she did a better job of war financing than we have done. We know, however, that she incurred \$12,000,000,000 in foreign obligations in order to finance the war and that she had to sell \$4,500,000,000 of her foreign investments. Britain, it should be noted, practically did not know black markets and tax evasions. She showed a capacity for government and a success in "seeing it through" that should not be discounted. Her people have character and capacity.

Character and capacity for what? She is the mother of parliaments, the mother of the common law, the mother of the commercial idea of the inviolability of a contract. From her vitals came the Magna Carta, and she sired the men who, when transplanted to this continent, carried the light into the Declaration of Independence and the Constitution of the United States and the Bill of Rights. Out of her spiritual loins came the freedoms of the press, of speech, of worship,

and trial by jury. Her government is a government of, by, and for the people.

Mr. President, I was against intervention when it meant war. I am in favor of this kind of intervention because I believe it will make for peace. There is a community of interest between our peoples which exists between no two other nations. I do not speak of blood only. As we face the future full of problems it is obvious that if folks who are on the same political and spiritual wire do not pull together, then we can expect little or no progress toward world peace by greatly dissimilar nations.

In unity there is strength. It is our job to build for unity among all nations and to hold up the shining symbol of cooperation between the English-speaking countries. The world needs this—so much.

Dare we spurn the financial risk of making this loan, and in so doing risk the judgment of history that we abandoned western civilization to communism?

I think we dare not risk that judgment of history.

## 2. THE ECONOMIC REASON

The second reason which I have given for my support of the loan is that I believe it will help to restore economic health to world trade. Britain will then have the necessary dollar credit in this country with which to buy our goods and start the economic processes of trade.

With all of Europe devastated by war and much of Africa and Asia hungry for goods, it is vitally important that we start these economic currents moving.

We know that Britain in normal times is the best customer of 31 of the world's countries, and that in 1938, for example, she bought 17 percent of our exports and 40 percent of Canada's exports, greater percentages than were bought by any other nation. She and her Empire bought nearly half of our exports.

Let me emphasize that I have always believed that it is America's domestic market rather than our foreign market which must be our principal economic concern. Our domestic market is the greatest in the world, and I have always fought to keep it open primarily for our own producers. But I do not underestimate the vast importance of foreign trade to other nations and of our importation of goods which we do not produce here.

Under the loan agreement, Britain specifically undertakes to (a) abolish the "sterling-area dollar pool" and thus permit the free use of dollars held by countries in the "sterling bloc"; (b) to forego the maintenance of foreign-exchange controls and other discriminatory trade practices; (c) to cooperate with the United States in reducing world trade barriers generally.

If these steps are fulfilled, and I believe and hope that they will be, world trade and with it world peace will be greatly advanced.

Dare we risk the continuation of world trade barriers and with them bitter world distrust and rivalry? I think not. I think we must take the road which leads to healthy world trade and prosperity. In so doing, we will help to keep faith

with our children and our children's children. We will be looking to the future—carrying our best customer on credit for a term.

## 3. THE BROAD FINANCIAL REASON

The last reason which I have given for the loan is that I believe it will be repaid. The alternative would be for England to break faith with us. If this happens in this atomic age, Britain will be inviting disaster on western civilization.

It has, however, been reliably stated that with this loan, England will be able to get back on her feet and meet her future obligations. I believe so, too. Some folks have "counted Britain out" and have said that she is "done for."

I cannot subscribe to that view. When I remember Dunkerque, when I remember El Alamein and Waterloo and the days of the Spanish Armada, when battered Britain has snatched victory out of the jaws of defeat, I cannot "sell her short."

Now, as I see her girding her loins to rehabilitate herself, rebuilding her merchant marine, preparing to meet world competition in the air, when I see her whelps such as Canada rallying to her side with a \$1,250,000,000 loan, I do not fear that our loan will not be repaid.

Mr. President, I have been a small-town banker. I know that in considering any loan there are countless intangibles which must be borne in mind and which often outweigh in importance the mere asset and liability or profit and loss statements of a prospective borrower.

This is the case of this proposed British loan, I believe. There are intangible factors—spiritual factors of the meaning of this loan to the democratic world—which will help insure the loan's repayment. I know that, as a banker, often one loan can make a life and death difference for a town, or a community, so also with a nation, or a group of nations.

I remember in the early thirties when the holocaust of a world depression was paralyzing our economic structure, banks were failing. In my home town there were three banks. One closed its doors. I took a plane to Washington to plead for a loan for the second bank. Things proved so difficult that I plainly had to tell a former Senator, who was then in the RFC, that he had no appreciation of the hinterland and its folks and problems. It was tough going for a while, but my plea was answered and the loan was granted.

The loan made it possible for the second bank to remain open. This resulted in stabilizing the economic life of that community. Ultimately everything worked out well. The Government got its money back. There was no run on the bank, no closing of the doors, no pain and suffering among the people. Economic health came back.

From a lender's viewpoint, perhaps it was not a good commercial loan. But from every other viewpoint, it was a good loan. It panned out all right; it saved suffering and loss. The bank's assets were generally sound, but they had depreciated because of the disease known as the great depression.



This British loan is, I believe, somewhat analogous to the small-town loan I have cited. And the prosperity of the whole community of nations may depend on this loan. The blood serum given to the individual soldier strengthens not only himself but the whole army and the Nation.

The British loan is a unique loan, different from all other loans, because Britain's central position in world trade is unique, because she is the world's largest importer, because other loans may be handled through the Export-Import Bank and the Bank for International Reconstruction and Development. This loan does not establish a precedent; it is in a class by itself. It assures the cooperation of Britain in Bretton Woods, and in the International Bank and International Fund.

No one need point out to me the need for husbanding America's resources. In my 7 years in the Senate I have yielded to no man in my firm desire to conserve, to protect, to save America's material and spiritual values. I believe my present position is consistent with my record, because, in a larger sense, I am seeking to preserve for my beloved America the chance for world trade and world peace.

Mr. President, we have entered into this loan with our eyes open. I believe that our negotiators were wise in making the loan flexible and in recognizing the imponderables of the future which may in any 1 year prevent the payment of interest. There is no deception in the language. Britain may get quickly back on her feet. We have seen how in the past nations which have almost been on the rocks have made rapid recoveries. That is my hope for the future in the case of Britain and all other nations.

But if it should happen that Britain cannot come back to economic health, the loan does not hood-wink us into believing that she will be able to make the payments regardless of her and world economic conditions. It will be borne in mind that argument has been made that for the immediate future the facts indicate a very speedy recovery. I cannot draw from that the conclusion that the future will be darker.

#### CONCLUSIONS

Mr. President, I conclude as I began: It is to the enlightened self-interest of our country to ratify this loan. It is to our political interest, our economic interest, our broad financial interest.

The eyes of the world are upon us, the eyes of history, and the eyes of our war dead.

This loan is far from a perfect loan; it is indeed very imperfect. I wish that we might have secured collateral for it. I wish that it might be temporarily suspended until we could get from our brother Senators at the Paris Peace Conference a report on the actual status of world affairs.

But we have been asked to act now, and I, for one, with some reluctance, but with faith, am willing to meet this issue squarely, however unpopular may be my stand in some quarters.

I have squared my stand with my conscience, with my deepest convictions, and

I have not found my position wanting. And so I take my stand for the British loan.

#### EXECUTIVE SESSION

Mr. WHITE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. TUNNELL in the chair) laid before the Senate a message from the President of the United States submitting sundry nominations in the Regular Corps of the United States Public Health Service, which was referred to the Committee on Finance.

(For nominations this day received, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. WHITE. I ask that the postmaster nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. WHITE. I ask unanimous consent that the President be immediately notified of the confirmations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

#### RECESS

Mr. WHITE. As in legislative session, I move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 3 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, to Thursday, May 9, 1946, at 11 o'clock a. m.

#### NOMINATIONS

Executive nominations received by the Senate May 8 (legislative day of March 5), 1946:

##### UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the United States Public Health Service:

TO BE SENIOR ASSISTANT ENGINEER, EFFECTIVE DATE OF OATH OF OFFICE

Russell W. Hart

SENIOR SURGEONS TO BE MEDICAL DIRECTORS, EFFECTIVE DATES INDICATED

William Y. Hollingsworth, May 24, 1946.  
Leo W. Tucker, June 15, 1946.

SENIOR DENTAL SURGEONS TO BE DENTAL DIRECTORS, EFFECTIVE DATES INDICATED

William T. Wright, Jr., April 1, 1946.  
Frank C. Cady, May 13, 1946.

ASSISTANT SANITARY ENGINEER TO BE SENIOR ASSISTANT SANITARY ENGINEER, EFFECTIVE DATE INDICATED

Harvey F. Ludwig, November 25, 1945.

SENIOR ASSISTANT SURGEONS TO BE TEMPORARY SURGEONS

Frederick H. Hull  
Ralph Porges  
James L. Southworth

ASSISTANT SURGEON TO BE TEMPORARY SENIOR ASSISTANT SURGEON

Arthur M. Pettler

#### CONFIRMATIONS

Executive nominations confirmed by the Senate May 8 (legislative day of March 5), 1946:

##### POSTMASTERS

###### ALABAMA

Ruth Camp McCarter, Malone.  
William H. McDonough, Whistler.

###### ARKANSAS

Finis F. Wood, Pea Ridge.  
Jerry Bassett, Walnut Ridge.

###### GEORGIA

Clem Holland, Resaca.

###### MICHIGAN

Claude L. Bauman, Shingleton.

###### MINNESOTA

Percy B. Boyer, Beltrami.

###### NORTH CAROLINA

Lawson J. McCombs, Faith.

###### NORTH DAKOTA

Walter F. Sheldon, Napoleon.

###### PENNSYLVANIA

Anthony P. Pelino, Lewis Run.

###### UTAH

Edwin F. Marchetti, Helper.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 8, 1946

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, we are again approaching Thy throne through the old and familiar way of prayer which is always open to those who come with a humble spirit and a contrite heart.

Thou knowest that we have many needs. Quiet our restless hearts with the strengthening ministries of Thy love and quicken our perplexed minds with the gracious revelations of Thy truth. Make us more receptive to hear and more responsive to heed Thy voice. Transform our reluctance and indifference into a glad obedience to what Thou dost desire and command.

Grant that it may be our purpose and joy to have a larger part in ministering unto those who are finding the struggle of life so difficult. Make us mindful of one another that in our common remembrance we may bear one another's burdens and so fulfill the law of Christ.

To Thy name we ascribe the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.